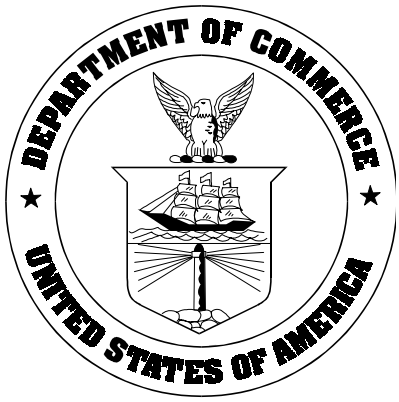
The Department of Commerce
Annual Performance Plan

Fiscal Year 2000



William M. Daley
Secretary

Robert L. Mallett
Deputy Secretary

Secretary's Foreword

As we prepare for a new century, Commerce Department programs are more vital than ever to our Nation's economy and the living standards of our people; to our leadership in key areas of science, technology, and information; and to the management and stewardship of our resources. From promoting the export of U.S. products and services to predicting the weather, from protecting intellectual property rights to managing the frequency spectrum to safeguarding our oceans and marine habitats -- the Department of Commerce plays a pivotal role in helping American businesses, communities, workers, and universities.

This Commerce Annual Performance Plan has been developed in close coordination with the Department's FY 2000 budget request. Both reflect the major priorities and initiatives of the Department. This plan highlights the priorities and initiatives in our FY 2000 budget. The Annual Performance Plan is organized according to our nine bureaus and the programs they administer.

Many individuals throughout the Department have worked diligently over the past several months to improve upon last year's Annual Performance Plan. We have responded to specific recommendations by OMB, GAO, and Congressional Staff on how to improve our Plan's organization and presentation. This year's plan is organized to provide a more complete picture of each bureau's goals and performance measures, and link directly to our budget request. We have more than doubled the percentage of performance measures tied to specific outcomes, while reducing the total number of both goals and measures in order to clarify their presentation. We have also strengthened our ability to validate and verify the data used to measure performance and evaluate specific programs in order to maximize our accountability to the American public. Overall, we believe that the Annual Performance Plan for FY 2000 represents a significant improvement over last year's plan which will help our employees to achieve good results.

This year's Annual Performance Plan provides a strong foundation on which to build effective Department-wide planning and performance management for the first years of the new century. I am pleased to present it as a demonstration of all that this Department does to foster economic growth, technological advancement, and sustainable development.

William M. Daley
Secretary of Commerce

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Mission Statement and Themes of the Department of Commerce

The Department of Commerce promotes job creation, economic growth, sustainable development, and improved living standards for all Americans, by working in partnership with businesses, universities, communities, and workers:

To build for the future and promote U. S. competitiveness in the global marketplace, by strengthening and safeguarding the Nation's economic infrastructure;

To keep America competitive with cutting-edge science and technology and a world-class information base; and

To provide effective management and stewardship of our Nation's resources and assets to ensure sustainable economic opportunity.

Executive Summary

Three key themes drive the Department of Commerce's Annual Performance Plan (APP) and support the Department's core mission of building a strong U.S. economy to provide a higher standard of living for every American. The alignment of Bureau program activities under these themes represents a new approach to improve the integration, coordination, and management of Commerce programs.

The three strategic themes—building our Nation's economic infrastructure; leading in science, technology, and information; and, providing stewardship of our Nation's resources and assets—are intended to facilitate new working relationships and the development of crosscutting policy efforts to strengthen the effectiveness of the Department as a whole, to serve all Americans better. The three themes provide a means for identifying and strengthening relationships among Commerce bureaus and for building partnerships with other agencies and external parties.

The FY 2000 APP includes Secretary William M. Daley's priorities and initiatives. These priorities and initiatives serve as guideposts to gauge the performance of Commerce's most critical programs. The priorities and initiatives are important integrating mechanisms for the Department of Commerce, much like the strategic themes. A listing of the priorities and initiatives is presented in the table on the following page. The Commerce Budget in Brief provides a more detailed discussion of the priorities and initiatives and their alignment.

Linking the key programs of individual Commerce Bureaus to the priorities and initiatives reinforces the Department's core mission and creates new opportunities for increased performance. This is especially important during periods of increasingly rapid and frequent change in our society, in our economy, and in science and technology—placing greater demand on the vital resources the Department manages. Each Commerce Bureau is well-positioned to help improve the quality of life, whether that entails producing more timely and accurate weather forecasts or weighing commercial and national security interests in decisions about exporting new technologies.

Encompassing the Department's many disparate functions, the three themes and the priorities and initiatives represent significant actions by the Secretary and his leadership team to move the Department in the direction of a more integrated organization. The FY 2000 APP, developed pursuant to the Government Performance and Results Act (GPRA) and integrated with the budget process, is the product of efforts to establish a more effective strategic planning and performance management process within the Department. The new strategic planning and performance management approach, which recognizes unique organizational cultures and the stakeholders of each of the Commerce bureaus, will drive a Commerce-wide effort to continue to improve the integration of activities and enhance performance and accountability.

Theme One encompasses the work that Commerce does to improve our capacity to maintain a competitive, vibrant economy. This includes job creation, support for minority businesses and small firms, technological innovation, production improvements, and the protection of ideas. Theme One also includes promoting healthier communities, developing a solid information base, and improving the environmental predictions that are essential for protecting life and property.

Within Theme Two, the Commerce Department directs activities that promote world-class science, technology, and information. The Department helps establish global technology standards and examines all aspects of development and innovation. It conducts scientific studies and data analyses leading to short and long-term environmental predictions. Commerce also provides information-based support to U.S. businesses and research communities. These activities range from conducting the Decennial Census to specific market analyses. Commerce also focuses on the technical issues associated with the radio frequency spectra, including the technology used for broadcasting.

Theme Three includes Commerce's key responsibilities for the management and stewardship of our critical resources from both national and global perspectives. Commerce manages and promotes the efficient and wise use of specific resources ranging from intellectual property rights and radio frequency spectra to fisheries and other ocean and coastal resources. This effective management is integral to improving technological innovation and communication, conserving coastal and marine resources, protecting the environment, and maintaining the overall quality of life. Commerce also represents U.S. interests and provides leadership in international negotiations related to the management of resources. This includes the protection of marine mammals and other species and the regulation of frequency spectra and intellectual property rights.

Executive Summary (cont.)

Priorities and Initiatives

Decennial Census and Other Statistical Programs
- Statistical Infrastructure

Oceans and Atmosphere
- Natural Resources
  - Ocean 2000
  - Climate in the 21st Century
- Natural Disaster Reduction

Broadening Trade

Technology for Economic Growth
- Technology Infrastructure

Assisting Distressed Communities

Critical Infrastructure Protection

Key Management Initiatives
- Clean Financial Audits
- Digital Department
- PTO as PBO

Commerce Bureaus, the Three Themes, and the Priorities and Initiatives

In support of the three Commerce themes, the **Economic Development Administration's (EDA)** strategic goals are to create jobs and private enterprise in distressed communities and to build local capacity to achieve and sustain economic growth. Since its establishment under the Public Works Act of 1965, EDA has confronted and responded to many challenges to the industrial and commercial growth of distressed communities in the United States.

Today, rapidly changing production, trade patterns, and technology threaten certain communities. EDA's highly flexible programs for public infrastructure, planning, technical assistance, and research allow the Department of Commerce to respond strategically to the specific conditions of disenfranchised areas in order to expand industrial and commercial growth. EDA works through a nationwide network now comprising 320 Economic Development Districts (EDDs), 64 Indian tribes, 69 University Centers, and 12 Trade Adjustment Assistance Centers (TAACs). EDA focuses on supporting local planning and long-term partnerships with state and local organizations that can assist distressed communities with strategic planning and investment activities.

For example, EDA helps mitigate the impact of natural disasters on communities by helping them to move businesses from disaster-prone areas to safe locations. EDA is able to go into communities struck by natural disaster and begin assistance immediately rather than waiting until emergency supplemental funds are approved.

By maintaining a reliable federal statistical system that readily monitors and measures economic activity and social trends, the **Economics and Statistics Administration (ESA)** helps national, state, and local governments and other institutions make smart decisions that can improve American lives. Our Nation's ability to respond to domestic and international developments that affect our economic infrastructure depends on a world-class information base and the cutting-edge technology that makes it accessible. In this capacity, ESA oversees the **Census Bureau** and the **Bureau of Economic Analysis (BEA)**. ESA also operates STAT-USA, a user-friendly "one-stop shop" for the dissemination of business, economic, and trade statistics.

Executive Summary (cont.)

Vice President Gore's National Partnership for Reinventing Government (NPR) designated the Census Bureau as among the 32 High Impact Agencies (HIA) most visible to Americans. As the prime gatherer and purveyor of data on our population and our economy through surveys, censuses, and special studies, the Census Bureau is committed to accuracy, timeliness, relevancy, and efficient service. The Bureau's strategy to improve data quality and timeliness includes the use of state-of-the-art digital capture technology, simplifying questionnaires, increasing the follow-up rate on nonrespondents, and working in partnership with the U.S. Postal Service to improve address files. In FY 2000, electronic commerce will also ease the reporting burden for businesses, contributing to the statistics available for planning purposes.

The Secretary intends Census 2000 to be the most complete and accurate decennial census ever—executed at the lowest possible cost to the taxpayer. Supporting a successful Census 2000 is one of the elements of the Secretary's management strategy for the Department. The Census Bureau's detailed attention to logistics and management has helped carry out an effective dress rehearsal. Pending the U.S. Supreme Court's decision on January 25, 1999 on whether to include sampling as part of the methodology, the Census Bureau worked through the additional challenge of implementing a dual-track strategy using both traditional and sampling methods to conduct the dress rehearsal.

This Annual Performance Plan was developed before the recent Supreme Court ruling and assumes the use of sampling in the 2000 Census. Under that assumption, we are requesting a total Decennial budget of $2.8 billion, a $1.78 billion increase above FY 1999, for census implementation and associated audits. The Census Bureau will develop a plan in light of the Supreme Court ruling and estimates of any associated costs. This plan will include the use of statistical methods, as appropriate, to provide the most accurate census data possible.

As the Nation's accountant, BEA combines and transforms extensive data from government and private sources to produce a consistent and comprehensive picture of economic activity, featuring the key summary measure known as gross domestic product. In addition, BEA's estimates of regional product and income are used in the allocation of federal grants to states.

In an increasingly global economy, the role of exports in sustaining a robust economic infrastructure continues to grow. Exports support over eleven million American jobs, and in the past two years alone, generated over two million new jobs. In recent years, export-related jobs grew about six times faster than total employment, paying wages fifteen percent higher than the average U.S. wage. The competitive nature of the global marketplace raises the bar of challenges for the **International Trade Administration (ITA)** in leveling the playing field for U.S. businesses abroad and helping remove tariff and nontariff barriers to trade. Toward this end, ITA will carry out the Secretary's Broadening Trade initiative by breaking into new and underserved international markets, while expanding the export support of small- and medium-sized businesses. ITA's goals are to enforce U.S. trade laws and agreements to promote free and fair trade, increase the number of small business exporters, and open key emerging markets, especially Africa, Latin America, and Asia.

Much of the success of the Broadening Trade initiative rests on the expansion of the U.S. and Foreign Commercial Service's (US&FCS) outreach efforts to small- and medium-sized enterprises (SMEs) to help them unleash their export capacity. The U.S. Export Assistance Centers (USEACs) perform the valuable service of educating and assisting SMEs and helping export-ready firms in need of technical assistance. Electronic commerce and the Internet are other vehicles to increase export opportunities for SMEs.

Implementing an aggressive trade compliance program to aid U.S. companies in achieving the full benefits of trade agreements is another key component of ITA's strategy. The Trade Compliance Center (TCC) monitors approximately 250 trade agreements and helps identify possible violations. By compiling data on access problems and outcomes, ITA can measure the dollar value of opening world markets to U.S. exports as a result of reducing or eliminating trade barriers. ITA also improves the competitiveness of domestic firms by enforcing U.S. trade laws and agreements regarding subsidies, unfair pricing, and other harmful foreign trade practices.

The **Bureau of Export Administration (BXA)** carries out the export licensing, enforcement, and defense industry conversion in a manner that protects our national security and our economic competitiveness. BXA performs the dual function of facilitating trade in an increasingly competitive global economy, while restricting the export of goods that could threaten national security and public safety.

Executive Summary (cont.)

As part of the Statistical Infrastructure initiative, BEA will work to resolve measurement discrepancies due to changes in the economy and incomplete or obsolete data by expanding and updating the coverage of key areas, including rapidly evolving industries.

In housing the Critical Infrastructure Assurance Office (CIAO), established by Presidential Decision Directive 63, BXA also helps safeguard the interconnected systems that are necessary to the operations of our government and economy.

BXA is working to bring U.S. export controls in line with evolving U.S. national security and foreign policy objectives. Restructuring export controls for the 21st century will result in a relatively shorter dual-use commodity control list. Streamlining the application system for controlled items will help prevent illegal transactions and expedite the license processing cycle for U.S. companies. In addition, by rendering prompt decisions, BXA will strengthen the international competitive position of U.S. firms. BXA is also developing means to strengthen its law enforcement program and its efficiency as a regulatory agency. BXA takes a preventive approach to deter high-risk transactions. To reduce the number of potential license requests for unacceptable products, BXA will expand educational outreach to its stakeholders through visits, conferences, and seminars to heighten their understanding of export controls and, as a result, strengthen industry compliance. It will also conduct a greater number of on-site visits to end-users of selected goods to ensure that products are being employed in the authorized manner.

BXA will also increase the number of nonproliferation and export control technical, executive, and educational exchanges at both the bilateral and multilateral levels to improve cooperation with foreign governments. It will develop a plan to address all five functional areas of effective export control systems: legal and regulatory frameworks, licensing procedures and control lists, enforcement mechanisms, industry-government relations, and systems administration and automation.

Finally, BXA's role in facilitating the transition of defense industries supports two of the Department's core themes: economic infrastructure and science and technology. A strong economic infrastructure rests on the ability to transition our defense industries to productive peacetime activities without compromising our technological leadership. At the same time, BXA can assist in promoting the continued viability of high-tech firms through the development of innovative product lines and new commercial avenues for former defense products.

Minorities account for 28 percent of the American population, but only 11 percent of business owners. Because of this fact, the central aim of the **Minority Business Development Agency (MBDA)** is to increase the participation of minorities in our Nation's commerce.

MBDA also advances the establishment and expansion of minority-owned businesses by identifying new domestic and foreign business opportunities. MBDA informs minority-owned businesses of these opportunities and assists these firms in taking advantage of those opportunities. This includes programs to increase access to the marketplace and capital through a number of vehicles. For example, MBDA provides management and technical assistance to over 8,000 firms annually via an electronic matching system over the Internet, Business Development Centers, and other resources. It promotes minority business lending through arrangements with financial institutions and mobilization of both private and public sector resources. MBDA also works to secure a fair share of representation for minority-owned businesses in all government-sponsored initiatives that promote U.S. business interests, including international trade missions.

The functions of the **National Oceanic and Atmospheric Administration (NOAA)** encompass all three Commerce themes. NOAA has the lead role in improving the means for detecting oncoming natural events with greater precision in order to save lives and property and minimize business disruption. In skillfully managing and protecting our Nation's assets and resources, NOAA plays a key role in the Natural Resources initiative by overseeing programs that expand knowledge and understanding of our land, water, and air. Protecting coastal habitats from loss and degradation, researching the effects of climate changes on the oceans and atmosphere, and promoting navigation are all objectives of the initiative.

Programs within NOAA's National Marine Fisheries Service (NMFS) are designed to help build a sustainable fisheries environment. Improving current fish stocks and restoring the long-term employment and growth potential of maritime industries are essential to our Nation's wealth and quality of life. The Natural Resources initiative also includes recovering protected species, preventing extinction, and maintaining healthy species through conservation programs that involve monitoring and research of species and the factors that affect their mortality. The suc-

Executive Summary (cont.)

cess of all of this effort will be more attainable by integrating activities across five of NOAA's line and program offices.

NOAA also contributes to the crosscutting Natural Disaster Reduction initiative by providing weather warnings and forecasts to the general public through the National Weather Service (NWS), conducting climate and weather research, and making historical and environmental data available for the public and private sectors. NOAA's products and services include short-term warning services and forecasts to increase lead times; newer and better data sets on seasonal-to-interannual time scales to produce climate forecasts to predict El Niño events with more accuracy; and improved decadal and centennial climate change assessments, especially for greenhouse warning, ozone layer depletion, and air quality.

Finally, NOAA's success in describing and predicting the changes in the earth's environment, and conserving our resources to ensure sustainable economic opportunity relies on cutting-edge research to develop new technologies, improve operations, and supply the scientific basis for managing natural resources and solving environmental problems.

In administering laws that grant and protect patents and trademarks, and in advising the Commerce Secretary, the President, and the Administration on intellectual property rights, the **Patent and Trademark Office (PTO)** plays a central role in America's economic growth.

Through its stewardship of our Nation's intellectual property, PTO influences investment, development and marketing strategies, and the financial viability of American businesses. PTO plays a central role in increasing the competitiveness of our technology-based economy by providing more effective service delivery as product life cycles become shorter. Timely issuance of patents and trademark registrations make all the difference for firms operating in fast-paced markets. Toward this end, PTO is committed to customer-oriented and results-driven performance through reduced average processing time of patents and trademarks, the automation of various patent and trademark activities, and the establishment of a fee schedule aligned with cost.

Through its provision of technical assistance and its expertise on trade-related property rights issues, PTO helps support the Secretary's Broadening Trade initiative. PTO contributes to the protection and expansion of intellectual property rights systems worldwide, vital to the development of the commercial infrastructure of developing economies and to promoting trade, through education and training on laws, regulations, and enforcement. It conducts international outreach and partners with other nations to help support these objectives.

Finally, improving communications, as part of a customer service focus, is integral to the goal of promoting awareness of and providing effective access to patent and trademark information. This relies on an advanced information dissemination base able to respond to users in a timely fashion, make information available, and transform the majority of processes into electronic operations. It includes the increased use of the Internet to request the status of applications and place orders, and to answer customer inquiries via e-mail.

PTO's program operations are revenue-generating and PTO is a self-sustaining agency that relies on external customer satisfaction. Similar to private sector business, it conducts a number of transactions with the public directly and must become efficient enough to respond to private sector needs and a potentially growing market for its services. Freed of certain federal restrictions and with a clear mission, accountability, and measurable goals, the budget includes a proposal that PTO become a Performance Based Organization (PBO).

The primary mission of the Technology Administration is to improve our Nation's technological infrastructure and to facilitate innovation by working with industry. TA is essential to economic health, advancements in science and technology, and our Nation's survivability in the information age. TA includes the **Office of Technology Policy (US/OTP)**, which fosters a supportive technology policy environment to promote innovation and industrial competitiveness by advocating and coordinating efforts at the state, national, and international levels. TA also includes the **National Institute of Standards and Technology (NIST)**, which administers the Malcolm Baldrige National Quality Program to encourage performance and quality management practices by U.S. businesses; and the **National Technical Information Service (NTIS)**, which compiles and disseminates non-classified scientific, technical, and engineering information useful to U.S. business and government.

TA contributes to the Secretary's Broadening Trade initiative by stimulating innovation and developing measurements and standards to improve our Nation's competitive base. NIST enhances U.S. influence abroad and helps to eliminate technical nontariff barriers to trade by work-

Executive Summary (cont.)

ing to increase global recognition of U.S. measurements and standards. On the international front, it is working with ITA to place standards attaches in Russia, China, and South Africa, and with PTO on the Commercial Law Development Program to institutionalize trade in emerging economies via training programs. Through the linkages established between the Manufacturing Extension Partnership (MEP) Centers and U.S. Export Assistance Centers (USEACs), NIST helps identify small export-ready manufacturing firms in need of the technical assistance it provides. It helps small firms improve their technological capability, productivity, and competitiveness.

Through rigorous peer reviews, NIST will measure how it achieves its goal of ensuring and improving measurements and standards infrastructure, ultimately providing the technical leadership for our Nation, in large part through its reference data collection and storage capability. NIST's Advanced Technology Program (ATP) stimulates advanced technologies by working with industry to identify and promote capital infusion in areas that have significant potential for broad-based economic and social benefits, but where firms are usually reluctant to invest, such as high-risk and multi-use technologies. The program uses a wide range of evaluation mechanisms to determine the eventual impact of ATP-funded projects.

Finally, through its research activities, NIST supports the reduction of damages from natural disasters and is part of the Administration's Critical Infrastructure Protection program, the broad effort to secure the interconnected infrastructures of our Nation. NIST is one of the lead agencies in the research and development program designed to address technology shortfalls and vulnerabilities.

The **National Telecommunications and Information Administration (NTIA)** maximizes the use of telecommunications and information resources in ways that create jobs, augment U.S. competitiveness, and raise the standard of living. NTIA's functions, increasingly complex in nature, extend into all three Commerce strategic themes. NTIA also plays an important role in opening new markets and broadening trade by helping to implement the World Trade Organization (WTO) Basic Agreement on Telecommunications.

To promote greater awareness, understanding, and access to technology, NTIA will accelerate the development and diffusion of public sector and nonprofit applications of Next Generation Internet (NGI) technologies and services. NGI is the Administration's multi-agency federal research and development program to advance networking technologies. NTIA provides matching grants to non-profit organizations to build quality technological and information systems in areas that benefit communities, such as in health care, education, and public safety. It also assists public telecommunications facilities in converting to digital broadcasting.

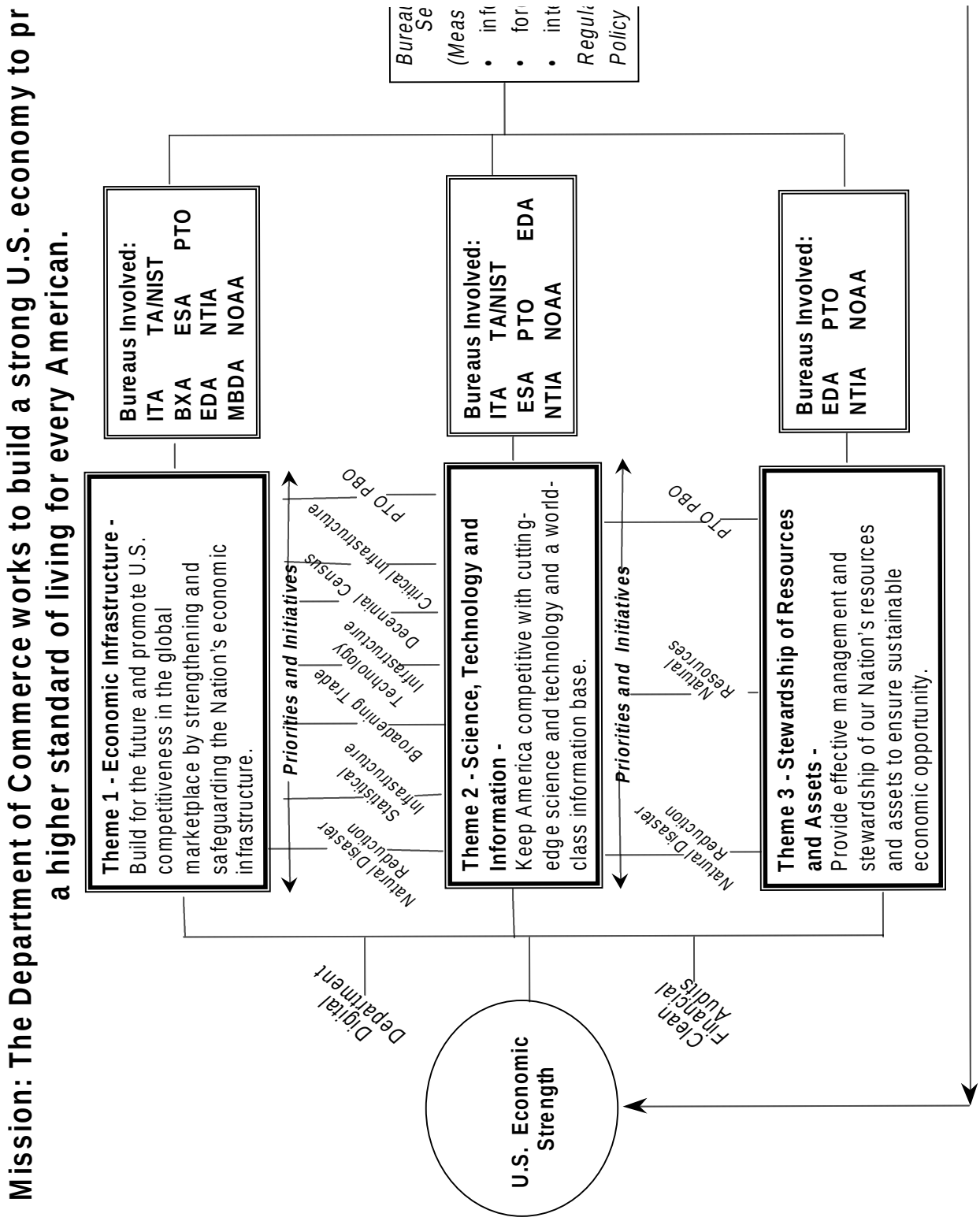
NTIA manages radio spectrum allocated for federal use. It ensures that radio spectrum assignments provide the greatest public benefit, by planning and implementing policies that affect both private and public sectors; meeting the requirements of federal agencies; and advancing the development of spectrally efficient technologies.

Finally, as part of the Administration's Critical Infrastructure Protection program, NTIA has assumed the lead agency role for the information and communications (I&C) sector. It is focused on protecting critical infrastructure by devising a plan that assesses the vulnerabilities of the I&C sector and identifying protection strategies.

Commerce Strategic Plan Link to the Commerce Annual Performance Plan

The Department of Commerce prepared its first Strategic Plan as required by GPRA in September 1997 and its first APP in February 1998. The three Commerce strategic themes expounded in the Commerce Strategic Plan represented the first effort with GPRA to develop "integrating themes" intended to recognize and foster crosscutting efforts in the areas of economic infrastructure, science and technology, and the management of Commerce resources and assets.

The Department of Commerce discussed whether the strategic themes suited in content and number the Department's many disparate functions. Still, the strategic planning and performance management process set in motion more active consideration and exploration of potential crosscutting and partnership arrangements among the bureaus of the Department. While this process is incremental, the FY 2000 priorities and initiatives further advance the commitment to conduct effective Commerce crosscutting efforts in a more integrated fashion. (See diagram on following page.)


Mission: The Department of Commerce works to build a strong U.S. economy to pr
a higher standard of living for every American.
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Policy
Bureaus Involved:
ITA TA/NIST
BXA ESA PTO
EDA NTIA
MBDA NOAA
Bureaus Involved:
ITA TA/NIST
ESA PTO EDA
NTIA NOAA
Bureaus Involved:
EDA PTO
NTIA NOAA
Theme 1 - Economic Infrastructure -
Build for the future and promote U.S. competitiveness in the global marketplace by strengthening and safeguarding the Nation's economic infrastructure.
Theme 2 - Science, Technology and Information -
Keep America competitive with cutting-edge science and technology and a world-class information base.
Theme 3 - Stewardship of Resources and Assets -
Provide effective management and stewardship of our Nation's resources and assets to ensure sustainable economic opportunity.
Priorities and Initiatives
Natural Disaster Reduction
Statistical Infrastructure
Broadening Trade
Technology Infrastructure
Decennial Census
Critical Infrastructure
PTO PBO
Priorities and Initiatives
Natural Disaster Reduction
Natural Resources
PTO PBO
U.S. Economic Strength
Digital Department
Clean Financial Audits

Executive Summary (cont.)

Brief Description of Parts II and III

Parts II and III of the Commerce Annual Performance Plan summarize the activities, performance, and resources for (a) each of the priorities and initiatives; and (b) each of the nine Commerce bureaus. They provide detailed information about the activities proposed for each of the crosscutting priorities and initiatives and for each of the bureaus. They also focus on the more "outcome-oriented" goals that the bureaus are trying to achieve. Included are brief descriptions of why these activities are important to the American public, how each bureau is doing in terms of performance trends, and the resources required to conduct these activities.

After the more detailed description of the Priorities and Initiatives, the bureau-by-bureau approach is organized in a similar manner and contains the following information (with some variation in order and emphasis) for each bureau:

Enabling Legislation
Bureau Context
High Impact Agency (HIA) or priorities and initiatives Information (if applicable)
Goal and Performance Measure Information
Rationale
Performance Targets
Data Validation and Verification
Source
Frequency
Data Storage
Verification
Means and Strategies
Crosscutting Activities
External Factors
Resource Requirements
Funding
Skills Requirements/FTEs
IT Requirements

Finally, we have provided what we hope to be a useful aid to navigation and guide to readers throughout the document. The Commerce strategic themes and the priorities and initiatives being addressed are depicted by shaded columns indicating the theme, and bullets indicating the priorities and initiatives, in the upper right-hand corner of the appropriate pages of the document. The reader should be able to discern which theme(s) or priorities and initiative(s) are being addressed at any point in the document.

Priorities and Initiatives

Department of Commerce

Enabling Legislation

The mission of the Department of Commerce is established in its organic statute:

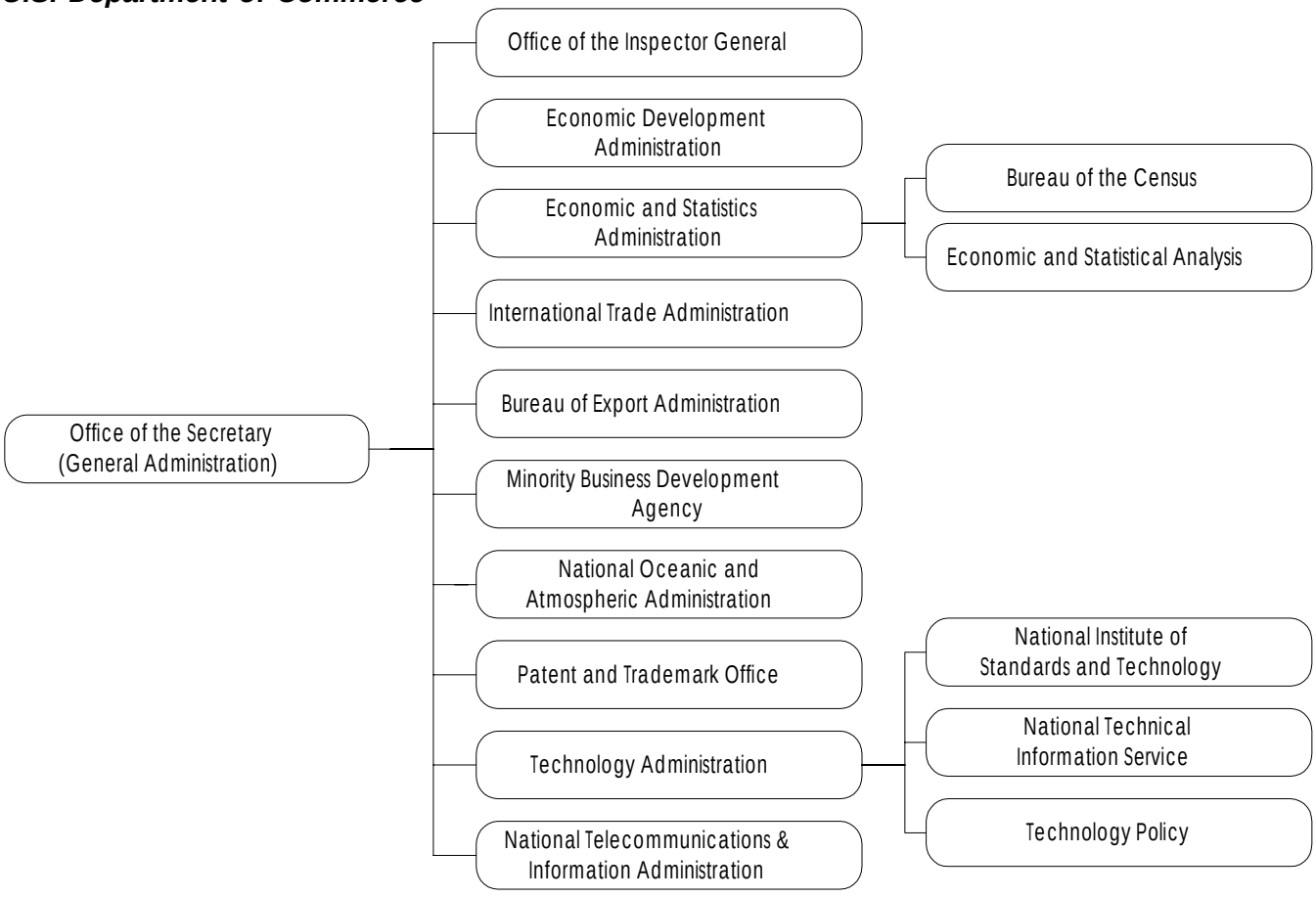
"It shall be the province and duty of said Department to foster, promote, and develop the foreign and domestic commerce, the mining, manufacturing, and fishery industries of the United States; and to this end it shall be vested with jurisdiction and control of the departments, bureaus, offices, and branches of the public service hereinafter specified, and with such other powers and duties as may be prescribed by law." (15 U.S.C. section 1512)

Context

The Department of Commerce touches Americans every day. We make possible the weather reports that are heard every morning; we facilitate the technology that is used in the workplace and in the home; we develop statistics that are used by both the public and private sectors in making important policy and business decisions; and we support the environmental and economic health of American communities.

The Department of Commerce provides leadership to the Nation in civilian technology, trade promotion, economic development, sustainable development, and economic analysis. Our programs serve our country's businesses, communities, and families and we are dedicated to making these programs and services as effective as possible.

U.S. Department of Commerce



NOTE: Unless otherwise indicated, the dollar amounts in this *Priorities and Initiatives* section reflect program increases.

Priorities and Initiatives

Decennial Census

Rationale and Benefits

Conducting the 22nd Decennial Census will fulfill the Constitutional mandate for this important activity and is among the highest priorities for the Department in FY 2000. This request incorporates the results of the dress rehearsal to date.

Context

Census 2000 data will be used to apportion seats in the U.S. House of Representatives, to determine the boundaries of State legislative districts and to allocate program funds. Public, non-profit, and private sector organizations plan for facilities, services, business locations, and products based on the population and housing characteristics data from the Decennial Census.

Components

Bureau	Program Increase	Request ($ millions)
Census	Conduct Decennial Census	$1,771.7
OIG	Decennial Census Oversight	0.5
Total		**$1,772.2**

Measures and Targets Summary

Program Increase	Goal it Supports	Measure	Target
Census - Conduct Decennial Census	Improve the accuracy of the 2000 Census	Net population undercount	From 1.6% in 1990 to 0.1% for 2000 *

* See footnote in more detailed discussion of this performance target.

Priorities and Initiatives

Statistical Infrastructure

Rationale and Benefits

The Statistical Infrastructure initiative, totaling $5 million, will improve the quality and timeliness of the information crucial to decisions by businesses and policy makers. Core institutions in this country -- ranging from the Federal Reserve System to major employers to small investors in financial markets -- are at risk in the absence of relevant, accurate, and timely information.

Context

Years of stagnant real budgets for economic statistics have led to key agencies not being able to account for structural changes in the economy. The dynamic U.S. economy has been creating new industries and expanding aspects of existing ones, yet we are straining to measure it accurately. For example, we must resolve the gap between the strong economy reflected in the income measures and the slower growth economy shown in the production numbers.

The Bureau of Economic Analysis (BEA) is primarily responsible for measuring our Nation's total output, but depends on data from the Bureau of the Census, Bureau of Labor Statistics, and other agencies to do so. This initiative will allow BEA to update and expand its coverage of high-tech goods and services, improve its inflation measures, expand measures of labor compensation, and update its treatment of investments in capital stock, including computer software.

ITA funding will be used to improve tourism trade statistics and increase global competitiveness. The In-Flight Survey of International Air Travelers will be enhanced, and a permanent set of accounts for the Nation's Travel and Satellite Accounts will be developed.

Components

Bureau	Program Increase	Request ($ millions)
ESA	Maintaining and Improving BEA's Economic Accounts	$4.5
ITA	Improving Tourism Trade Industry Statistics	0.5
Total		**5.0**

Measures and Targets Summary

Program Increase	Goal it Supports	Measure	Target
ESA-Maintaining and Improving BEA's Economic Accounts	Provide quality data	Comprehensive accuracy score (as determined by evaluation system) on scale of 100	>85
ITA-Improving Tourism Trade Statistics	Strengthen and Institutionalize ITA's Trade Promotion and Trade Advocacy efforts	Dollar value of gross exports supported through advocacy efforts	5% increase over FY 1999

Priorities and Initiatives

Natural Resources

Rationale and Benefits

The Department of Commerce, through its Natural Resources initiative and the National Oceanic and Atmospheric Administration (NOAA), continues to play a key role in managing America's natural resources. From submersible excursions of the ocean floor to managing fisheries to combating *pfiesteria*, Commerce stands ready to build on its range of successful, integrated programs that expand our knowledge and understanding of America's lands, water, and air.

Ocean and coastal resources are the foundation of the Nation's coastal and regional communities. One-third of the U.S. Gross Domestic Product is sustained in coastal zones through such industries as fishing, tourism, and marine transportation. With increasing national attention on the value of the ocean and its resources, the Natural Resources initiative provides the Department of Commerce with the ability to capitalize on sustainable use of the ocean's resources.

Context

The Natural Resources initiative, totaling $336.9 million, will improve the Nation's ability to manage and protect its ocean and coastal natural resources. This initiative, comprised of *Oceans 2000* ($317.8 million) and *Climate in the 21st Century* ($19.1 million), will enable Commerce to encourage sustainable fisheries development as it works, through NOAA, to reduce overfishing and overcapitalization of the Nation's fishery resources; better manage the crisis of salvaging protected resources; protect coastal habitats from continued loss and degradation; conduct more research into the effects of climate changes on the oceans and atmosphere; and promote safe navigation.

The *Oceans 2000* components include *Lands Legacy*, *Year of the Ocean*, *Resource Protection*, the *South Florida Initiative* and the *Clean Water Initiative*. NOAA's components of the *Lands Legacy Initiative* ($105.0 million), announced by the President in his 1999 State of the Union address, include funding to strengthen and expand protection of the Nation's most significant ocean and coastal areas; restore critical coastal habitat for our Nation's extremely valuable and irreplaceable Pacific salmon resources and vibrant coral reef ecosystems; and provide states and coastal communities with the tools and resources for environmentally and economically sustainable smart growth. The *Year of the Ocean* commitments ($78.1 million) include programs to promote new scientific insight into the oceans, sustain use of fisheries and other marine resources, provide new opportunities for economic growth, and protect fragile coastal communities and ecosystems such as coral reefs from damage and environmental degradation.

NOAA is committed to preventing the extinction of at-risk marine species, and restoring their habitat and ecosystems. The programs under *Resource Protection* ($131.3 million) will enable NOAA to protect and conserve our natural resources by encouraging greater public involvement in conservation planning, creating incentives for landowners and states to protect species and their habitat to prevent the need to list, and entering into long-term conservation plans with landowners. The *South Florida Initiative* ($1.6 million) will continue NOAA's involvement in the integrated effort among federal, state, tribal and nongovernment partners to halt the degradation and restore the function of the South Florida ecosystem. NOAA participation includes restoring and protecting the fisheries habitats and coral reefs of the affected areas. The final component of the *Oceans 2000* program is NOAA's involvement in the Administration's *Clean Water Initiative* ($1.8 million). The elements of this program will enable NOAA to strengthen and enhance critical research, monitoring and coastal management capabilities of the National Ocean Service. These capabilities are required to address the sources of nonpoint pollution and address symptoms of degraded coastlines, including harmful algal blooms, hypoxia, and shellfish advisories.

Under its *Climate in the 21st Century* ($19.1 million) programs, the NWS components of the Natural Resources initiative are designed to further our understanding of climate change, and its effect on the oceans. This research includes assessing the oceans' uptake of carbon, ozone interaction and particulates research, and understanding decadal changes.

Priorities and Initiatives

Natural Resources (cont.)

Components

Bureau	Program Increase		Request ($ millions)
NOS, NMFS	**Lands Legacy:**	Coastal Dredging, Coral Reef Restoration, Coastal Zone Management Act Grants, National Marine Sanctuaries and Reserves, Fisheries Habitat Restoration	$105.0
NOS, NMFS, OAR	**Year of the Ocean:**	Safe Navigation, Coral Reef Protection, Ocean Bottom Observatories/ Exploring the Last Frontier, Aquaculture, Fisheries Oceanography, Fisheries Research Vessel	78.1
NMFS	**Resource Protection:**	Pacific Salmon Recovery, Protected Species Management, Endangered Species Act Recovery Planning, Enforcement & Surveillance	131.3
NOS, NMFS	**South Florida Initiative:**	South Florida Ecosystem, Resource Information, Restoration, Research	1.6
NOS	**Clean Water Initiative:**	Harmful Algal Blooms Research, Coastal Nonpoint Source Pollution Control Programs, Polluted Runoff Grants, Coastal Resource Coordination Program	1.8
OAR, NESDIS, NWS	**Climate in the 21st Century:**	El Nino-Southern Ocillation Events, Autonomous Profiling Floats, Kyoto Conference Projects, Cooperative Reference Network and Raingauge Network, Computer for Climate and Weather Research	19.1
Total			**$336.9**

Measures and Targets Summary

Program Increase	Goal it Supports	Measure	Target
NOAA-Navigation	Promote safe navigation	Number of Physical Oceanographic Real-Time Telemetry Systems (PORTS) in place to provide quality assured data	7 PORTs and PORTS-lites in place by FY 2000
NOAA-NMFS-Endangered Species Recovery Act Plan	Build sustainable fisheries / Recover protected species	By 2004, protect or restore priority biodiversity areas-regions where threats are identified	Restoration of the following regions: Atlantic, Gulf, E. Pacific, W. Pacific
NOAA-NWS Climate Research	Predict and assess decadal to centennial change	Document the "turnover" of CFC source gases to verify the effectiveness of global policy actions	Reports are published every 3 to 5 years; next report may be published in FY 2002

Priorities and Initiatives

Natural Disaster Reduction

Rationale and Benefits

Through its Natural Disaster Reduction initiative, Commerce works with the public and private sectors to save lives, protect property and minimize business disruption in the face of natural disasters. Commerce's efforts, through programs of NOAA and NIST support the goal of reducing the annual costs of natural disasters by 10 percent, which translates to over $5.0 billion a year in cost avoidance.

Natural disasters resulting from severe weather (hurricanes, tornadoes, winter storms, droughts and floods) or geophysical activity (volcanoes, earthquakes and tsunamis) threaten lives, property and the stability of local and regional economies throughout the United States. Commerce launched the Natural Disaster Reduction initiative with its FY 1999 budget request to Congress. In FY 2000, the Department of Commerce is requesting additional resources to implement the second year of its strategy to reduce and mitigate the impacts of extreme natural events.

The FY 2000 strategy calls for an end-to-end approach to natural disaster mitigation, from research to improve prediction and understanding of extreme events, to advances in developing response and recovery plans, to assessment of vulnerabilities of communities and infrastructure, and providing information, technology and training to reduce vulnerability before and after natural disasters. Funding will support the highest priority efforts necessary to complete this end-to-end approach and significantly reduce the Nation's vulnerabilities to and costs of natural hazards.

Context

While the annual costs of natural disasters are highly variable, over the last few years, they have resulted in significant loss of life, property damage, and economic costs averaging approximately $50 billion per year. Moreover, the cost of damages from natural disasters (in constant dollars) has doubled or tripled each decade over the last 35 years.

These events are of great concern to government agencies, the business sector, and the general public. Major disasters such as Hurricane Andrew, the East Coast winter storm of 1995, and the flooding of the Red River of the North, have challenged the ability of federal agencies, private and volunteer organizations, and the commercial insurance industry to respond. Future disasters will continue to occur and their severity, frequency, and costs are project to continue to increase.

Commerce must improve the predictions and warnings that allow people to move out of harm's way in the face of impending disasters and to keep them out of harm's way through the design of resilient, sustainable communities. Commerce is ideally positioned to lead a coordinated federal partnership with local officials to achieve these objectives.

Components

Bureau	Program Increase	Request ($ millions)
NOAA	Base Deficiencies	$14.0
	NWS Modernization and Satellites	6.9
	Radiosonde Replacement Program	6.4
	U.S. Weather Research Program	1.5
	Space Weather / ACE Follow-on (GEOSTORM)	4.3
	Advanced Hydrologic Prediction System	2.2
	Ocean Assessment, Coastal Forecasting, and Outreach	2.8
	Global Disaster Information Network (GDIN)	2.0
	Climate Studies	0.4
	Other	1.6
Total		**$42.1**

Priorities and Initiatives

Natural Disaster Reduction (cont.)

NOAA contributes to the Natural Disaster Reduction initiative by providing weather warnings and forecasts to the general public via the National Weather Service (NWS), by acquiring and processing hydrometeorological, ocean and spaced-based observations, conducting weather and climate research as well as maintaining historical environmental data and making it available to public and private concerns. All efforts are designed to reduce the impacts of natural extremes on all time scales ranging from the very short for tornadoes, flash floods, and hurricanes to the very long for climate variability in storm intensity and frequency, and droughts and floods). Thus, NOAA's suite of products and services is essential to both preparing for the long-term risks of hazards as well as the immediate threat to people and property.

NOAA's FY 2000 budget request in support of this priority/initiative emphasizes the restoration of base funding for NWS, and to a lesser extent, the National Environmental Satellite, Data & Information Service (NESDIS). In addition, NOAA's request reflects the reduction in activity associated with the NWS modernization, but also the required expansion of the next series of geostationary and polar-orbiting satellites, weather and climate research efforts, and the promotion of avenues for the dissemination of timely information.

Measures and Targets Summary

Program Increase	Goal it Supports	Measure	Target
NOAA Base Restorations, Satellite Acquisition, Radiosonde Replacement Program, Advanced Hydrological Prediction System (AHPS), U.S. Weather Research Program, Improving Surface & Upper Air Observations, Space Weather, Ocean Assessment, Coastal Forecasting, Outreach, Global Disaster Information Network (GDIN)	Advance short-term warnings and forecast services	Increase lead times/Accuracy of severe weather warnings & forecasts	Examples of lead times for FY 2000 include: Tornado-12 min. Flash Floods-42 min. Severe Thunderstorm Warnings- 20 min.
NOAA Climate Studies	Implement Seasonal-to-Interannual Climate Forecasts; Predict and Assess Decadal-to-Centennial Changes	Accuracy of El Nino Events	0.85 correlation

Priorities and Initiatives

Broadening Trade

Rationale and Benefits

In the future, America's economic security will be more closely tied to our ability to compete in the global economy, making it critical that our commercial policies be integrated into our foreign policy objectives. Almost one-third of our economic growth since 1993 is attributable to exports. During that same period, exports were responsible for the creation of over 11 million U.S. jobs that pay fifteen percent more than the national average. Yet there is much to do. We need to seek new opportunities without neglecting traditional markets and we need to remove tariff and non-tariff trade barriers.

Context

The Broadening Trade initiative does just that. This comprehensive, cross-cutting initiative embodies a vision to develop the domestic and international infrastructure necessary for American firms to conduct business fairly and openly in the global marketplace. It is a comprehensive strategy designed to enhance America's global competitiveness by building a stronger consensus for U.S. trade policies and export promotion; ensuring aggressive trade compliance; focusing on developing business in traditionally under-served regions such as Latin America and Africa; and working to establish the commercial infrastructure (financial, legal, measurement and standards, and intellectual property rights) in emerging economies to promote trade.

Components

Bureau	Program Increase	Request ($ millions)
ITA	Key Emerging Markets in Africa and Latin America	$6.2
	Expansion of U.S. & Foreign Commercial Service	4.6
	Aggressive Trade Compliance Programs: -Market Access Strike Force -Agreements Compliance and Market Access -Subsidies Enforcement -International Trade Dispute Settlement	 2.7 1.7 1.1 0.6
	Standards Attaché Program	1.0
	-Commercial Infrastructure -Manufacturing Export Promotion Partnership	2.0 2.0
BXA	National Defense Authorization Act	1.0
	CWC Implementation	1.5
NIST	Export Promotion	2.0
NTIA	WTO Telecommunications Agreements Implementation	0.5
PTO	Africa Initiative	[0.1]*
Total		**$26.9**

* Bracketed amounts indicate either a fee-based account, in the case of PTO, or the Working Capital Fund account.

Priorities and Initiatives

Broadening Trade (cont.)

Domestically, the potential for reaching small firms is great, especially in manufacturing, as these firms are significantly under-represented in the global market. Although there are nearly 400,000 small manufacturing firms in the U.S., they account for only 13 percent of total exports by manufacturing firms. We will unleash this potential by establishing formal links between US&FCS' Export Assistance Centers, and NIST's MEP to identify "export ready" manufacturing firms seeking export assistance. We will also assist firms interested in exports which are in need of technical assistance prior to entering the global market. For small businesses seeking to do business in Africa, we will work hard to educate them on the use of the Internet in the global marketplace (ITA).

Internationally, we will capitalize on the long-term potential of under-served markets, without sacrificing traditional trade relationships, by expanding into sub-Sahara Africa, Latin America, and Asia-Pacific. Early entrance into these markets will place us in a pivotal position to ensure that the commercial infrastructure that ultimately develops will be favorable to open trade. Working through PTO, ITA, and the Office of General Counsel's Commercial Law Development Program, with technical advice from NIST, the Department will institute training programs in under-served and emerging economies on intellectual property rights, measurements and standards, financial services, and commercial law. But expansion into emerging and under-served markets will amount to little without removing barriers to trade. Therefore, we are including resources to improve recognition of U.S. standards, strengthen trade enforcement and compliance, and educate emerging economies on fair and open trade.

To eliminate technical (non-tariff) barriers to trade, NIST will increase global recognition of U.S. measurements and standards, enhance U.S. influence in international standards development, and work cooperatively with ITA to place standards attachés in Russia, China, and South Africa. ITA will address trade barrier issues by assembling a mobile force "strike team" to work cooperatively with U.S. Embassies in the most egregious countries, and assist U.S. business seeking remedies through the World Trade Organization if foreign subsidies impede U.S. exports in foreign markets. Issues of export and security will be addressed by the Bureau of Export Administration (BXA) which will screen pre-export notifications and post shipment verifications of High Performance computers. BXA will also administer Chemical Weapons Convention (CWC) declarations and perform on-site inspections. The Patent and Trademark Office will provide technical training and seminars to members of the African Intellectual Property Organization and the African Regional Industrial Property Organization.

Priorities and Initiatives

Broadening Trade (cont.)

Measures and Targets Summary

Program Increase	Goal it Supports	Measure	Target
ITA: Key Emerging Markets; US&FCS Expansion	Strengthen and institutionalize our trade promotion and trade advocacy efforts	Dollar value of gross exports supported	5% increase over FY 1999
ITA: U.S. & FCS Expansion	Increase the number of small business exporters	Number of new-to-export firms	3% increase over FY 1999
ITA: Aggressive Trade Compliance	Enforce U.S. trade laws and agreements to promote free and fair trade	Dollar value of market openings	38% increase over FY 1999
NTIA: WTO Telecommunications Agreement Implementation	Promote policies that will lead to open competitive markets	Percent of countries compliant with WTO GBT	100% country compliance by 2002
BXA: National Defense Authorization Act and CWC Implementation	Restructure export controls for the 21st century	Average processing time for license applications (days)	33
BXA: National Defense Authorization Act and CWC Implementation	Maintain a fully effective law enforcement program and protect U.S. national security foreign policy, nonproliferation of dual use commodities and chemical weapons, counter-terrorism, and public policy.	Number of investigations completed Number of investigations accepted for criminal or administrative remedies	1,300 80
ITA: Export Promotion/Joint Program for Standards Attaches	Strengthen and institutionalize ITA's trade promotion and trade advocacy effects.	Dollar value of gross exports supported	5% increase over FY 1999
NIST: Export Promotion / Intercomparisons	Assure and improve measurements and standards	Number of intercomparisons with national measurement institutes	8

Priorities and Initiatives

Technology Infrastructure

Rationale and Benefits

Technological progress is the single most important factor in generating sustained economic growth, estimated to account for as much as half the Nation's long-term growth over the past 50 years. Technology underpins our fastest growing industries and high-wage jobs, provides the tools needed to compete in every business, and drives growth in every major industrialized nation.

While much of America is enjoying unprecedented growth and prosperity, there are still regions of the country that have fallen behind, and are not prepared for the new economy. The Technology Infrastructure initiative offers the Department the opportunity to grow our competitive technology-based industries, thus keeping capital, technology, jobs and income in the U.S. This initiative provides the tools to help America build the supporting infrastructure, the technological base, and the skilled workforce needed to keep our economy vibrant and strong.

Context

We are in the midst of a revolutionary transformation from an industrial to a knowledge-based economy. This transformation is having a profound impact on the ways we live, learn, work, and play. To compete successfully in this dynamic global environment, our Nation needs an awareness and understanding of the role technology can play in supporting economic activities. The Technology Infrastructure initiative addresses these needs.

The Technology Infrastructure initiative will promote the efficient and effective use of telecommunications and information resources in a manner that creates job opportunities, enhances U.S. competitiveness, and raises the standard of living.

One of NTIA's roles in this initiative is as manager of all federal spectrum. NTIA will increase the efficiency of the frequency assignment process by continuing to implement the advanced, automated spectrum management system to replace the time consuming process currently in use. Federal agencies will not only be able to obtain assignments more rapidly, but will also have a means of obtaining technical information on radio communication equipment and approvals that can be used for future purposes.

Building a Workforce With Adaptable Skills

Teacher Science and Technology Enhancement (NIST) - NIST will begin development of a program for professional development of mathematics and science teachers in elementary, middle, and secondary schools.

Support Development of Necessary Infrastructure

Public Telecommunications Facilities Planning & Construction (PTFP) (NTIA) - NTIA will assist public broadcast stations make an orderly transition to digital broadcasting through the awarding of competitive grants allowing them to convert from analog to digital formats, which will provide incentives for more efficient operations and allow broadcasting stations to meet the requirements and deadlines for digital conversion as specified by the FCC. As necessary, PTFP will continue to fund grants to replace basic equipment and provide assistance to rural and other areas where financial assistance is lacking. It is part of the President's program to ensure that the benefits of public broadcasting continue for all our citizens.

Telecommunication Information Infrastructure Assistance Program (TIIAP) (NTIA) - Provides grants to non-profit and public organizations to demonstrate and promote the practical application of new telecommunication and information technology that improve the quality of life and the public's access to education, health care, public safety, and other community-based services. The new TIIAP funding ($2 million) is for applicants to explore Next Generation Internet (NGI) capabilities in the public and private sector.

Priorities and Initiatives

Technology Infrastructure (cont.)

Components

Bureau	Program Increase	Request ($ millions)
NIST	Teacher Science and Technology Enhancement	$0.5
NTIA	Public Telecommunications Facilities Planning and Construction	14.0
	Telecommunications Information Infrastructure Assistance Program	2.0
	Federal Spectrum Management Infrastructure	0.2
Total		**$16.7**

Priorities and Initiatives

Assisting Distressed Communities

Rationale and Benefits

The Economic Development Administration (EDA) helps distressed communities overcome barriers that inhibit the growth of their local economies and limit their ability to compete regionally, nationally, and globally. Our foremost objective is to create a climate conducive to the development of private enterprise in America's distressed communities. Using EDA's highly flexible programs for public infrastructure, revolving loan funds, planning, technical assistance, and research, distressed communities create jobs and stimulate growth. These program tools, used together, can help prepare communities for rapidly changing technologies and global competition.

As part of its Economic Adjustment Assistance Program, the Department of Commerce will assist distressed communities recovering from sudden and/or severe economic downturns such as, those caused by increased foreign imports, industry downsizings, plant closings, environmental regulation, and natural disasters. Among other activities, this program will assist communities in the Northeast region with economic diversification and financial restructuring necessitated by federal restrictions imposed on the New England fishing industry. Commerce proposes a total increase of $20 million for this program in FY 2000.

Components

Bureau	Program Increase	Request ($ millions)
EDA	New England Groundfish Conservation Impacts	$5.0
	Trade Related Impacts on Distressed Communities	15.0
Total		**$20.0**

Priorities and Initiatives

Critical Infrastructure Protection

Rationale and Benefits

President Clinton signed Presidential Decision Directive (PDD) 63 establishing the interagency Critical Infrastructure Protection program (CIP) to protect the Nation's critical infrastructures. The PDD calls for the creation of a National Infrastructure Assurance Plan over the next three years to raise defenses primarily against cyber, but also physical attack. In order to craft a comprehensive plan, federal agencies need to form strong partnerships with the private sector, which owns and maintains an estimated 90% of those critical entities vulnerable to attack.

The Commerce Department is proud to be assigned two components of the CIP: the Critical Infrastructure Assurance Office (CIAO) and the lead agency role for the information and communications (I&C) sector. Housed in BXA, the CIAO serves as the coordination mechanism for the development of the public-private National Infrastructure Assurance Plan. The Secretary designated NTIA to fulfill the lead agency role for the I&C sector. NIST and NTIA will carry out the research needed for I&C. Through its leadership in the I&C sector, the Department will have significant influence over how one of the largest sectors of the U.S. economy will be protected from cyber terrorism.

Context

Critical infrastructures are those physical entities and cyber-based systems essential to the minimum operations of the economy and government. They include, but are not limited to, telecommunications, energy, banking and finance, transportation, water systems and emergency services, both governmental and private. Advances in technology and the necessity of improved efficiency have allowed these infrastructures to become more automated and interlinked. Consequently, these same advances have created new vulnerabilities to equipment failures, human error, weather and natural disasters, and physical and cyber threats.

By 2000, the U.S. shall have an initial operating capability to protect critical infrastructure. By 2003, the U.S. should have achieved and shall maintain the ability to protect the Nation's critical infrastructure from intentional acts that would diminish the ability of:

- the Federal Government to perform essential national security missions and ensure the public health and safety; and
- state and local governments to maintain order and to deliver minimum essential public services; and the private sector to ensure the orderly functioning of the economy and the delivery of essential telecommunications, energy, financial and transportation services.

Components

Bureau	Program Increase	Request ($ millions)
NTIA	Lead Agency	$2.5
	CIP Research	0.8
	Information Sharing Analysis Center	1.0
NIST	CIP Research	3.0
Total		**$7.3**

Priorities and Initiatives

Critical Infrastructure Protection (cont.)

The CIAO, an interagency office housed in BXA, will provide support to the NSC National Coordinator's work with government agencies and the private sector in developing a national plan for protecting critical infrastructure. The CIAO is specifically charged by PDD-63 with integrating the eight or more sector plans (including the information and communications sector) into the National Infrastructure Assurance Plan; coordinating analysis of the U.S. government's own dependencies on critical infrastructures; and coordinating a National education and awareness program and legislative and public affairs.

In its role as lead agency for information and communications, NTIA will serve as the primary liaison to all entities within the I&C sector. The agency will conduct in-depth discussions and workshops with a broad cross section of the I&C for the purpose of facilitating the identification of a sector coordinator or several coordinators. Sector coordinator's activities are strictly voluntary. NTIA will work with this person[s] to develop a sector plan that will assess the vulnerabilities of the sector.

The lead agency requirement of coordinating a research and development program involves both NTIA and NIST. The two bureaus have put together a joint research plan for CIP for the information and communications sector by which they will conduct a coordinated program. The program is intended to address the perceived technology shortfalls or gaps between existing I&C infrastructure technologies or those being addressed by current R&D programs, and the technologies needed to address all of the identified vulnerabilities. NTIA will address threats to the telecommunications infrastructure and NIST will address the issues of making "security" a more measurable quality. Research will be conducted in the areas of modeling and simulation tools for the I&C sector, reliability and survivability, robustness, risk management, performance tools, security testing and metrics, core research capabilities and best practices. This plan will provide a strategic overview based on the Administration's priorities for CIP as well as define research projects for FY 2000. It will also ensure against a catastrophic infrastructure failure, reduce the level of ongoing loss from attacks and failures, enhance the overall national economic security, and reduce the direct and indirect costs associated with infrastructure failures. NIST and NTIA will coordinate all research with the Office of Science and Technology Policy and CIAO.

Measures and Targets Summary

Program Increase	Goal it Supports	Measure	Target
NTIA-Lead Agency	Advance the public interest in telecommunications, mass media and infrastructure development	Remedial plan that addresses the vulnerabilities to attacks in the I & C sector	Eliminate potential vulnerabilities
NTIA-Research	Same as above	Establish a process for assessing government telecom infrastructure; identify protection strategies	Enhanced government and private sector I&C infrastructures
BXA-CIAO	Maintain a fully effective law enforcement program and protect U.S. national security, foreign policy and public safety	Investigations completed (#) Enforcement outreach visits (#) Investigations accepted for criminal or administrative remedies (#) End-use visits conducted (#)	1,300 900 80 680
NIST-Research	Assure and improve measurements and standards	Rigorous annual peer review of the technical quality and merit of the NIST MSL conducted by the NRC	N/A

Priorities and Initiatives

Digital Department

Rationale and Benefits

One of Secretary Daley's top management priorities is to transform the Department of Commerce into a national leader in using technology to improve service to our customers. Modernizing the Department's information technology infrastructure will expand the range of electronic options available to each bureau, establish Department-wide systems, and enable Commerce to process and provide information in the most convenient media for its customers.

Context

Commerce has hired a new Chief Information Officer (CIO) to take on the responsibility of implementing the Digital Department initiative. He will assist each bureau in efficiently using information technology to effectively manage and deliver its programs.

Components

Creating a Digital Department, a jointly funded effort through the Working Capital Fund, will consist of:

- Creating a fiber optic backbone and unified network architecture for Herbert C. Hoover Building and all other appropriate bureau buildings;
- Consolidating telecommunications infrastructure across bureaus;
- Creating a central operations office run by one bureau providing service to all DOC;
- Creating a smart-card based physical and information security access program; and
- Leveraging the knowledge base infrastructure to ensure that all internal department documents are electronically published, categorized, and easily available.

Bureau-specific activities for this initiative consist of the following:

- PTO will reduce the cost and time required for submitting patent and trademark applications and accelerate decision-making on these applications, making the whole process customer friendly and easy to interface with electronically.

Bureau	Program Increase	Request ($ millions)
PTO	Trademark Processing Automation Internet Services	[$5.3]
MBDA	Electronic Commerce - Phoenix Database	0.3
ITA	Automated Tariff Information	0.5
BXA	Export Control Automated Support System Replacement	2.0
NTIA	Radio Spectrum Measurement Systems	1.2
GA - WCF	Department-wide infrastructure and services	[12.0]
Total		**$4.0**

Priorities and Initiatives

Digital Department (cont.)

- MBDA will expand the Phoenix Database which matches minority-owned firms with opportunities to participate in contracts and procurements. As the database expands, so do the contract opportunities to be matched with businesses. MBDA will also implement a Business Geographic Information System which will be used to deliver market information to minority firms via the Internet. Any business having Internet access will be able to search for business development resources by selecting the type of resource needed and clicking on a map or typing in the zip code.
- ITA will automate the U.S. Government's tariff information services for exporters making the information up-to-date and comparable to information offered by the European Commission to European exporters. This enhancement will allow access to tariff/taxes and customs information for over 60 countries, reducing response time to the nearly 18,000 tariff inquiries received annually by the Department.
- BXA will replace the existing Export Control Automated Support System (ECASS) which is costly to maintain and was originally designed to run on a mainframe computer using an obsolete database management system. Since its design in 1984, there have been countless advances in hardware, database software, client server technology, networking, and communications which BXA will be able to capitalize on with ECASS' replacement.
- NTIA will upgrade radio spectrum measurement systems and equipment to allow better measurement tests on land and marine mobile radar bands for more efficient allocation of federal spectra. It will also improve research into wireless technology.

Measures and Targets Summary

The Digital Department initiative, if successfully implemented, will provide the necessary information technology support to ensure the success of the goals and performance measures discussed in the Annual Performance Plan.

Priorities and Initiatives

Clean Financial Audits

Rationale and Benefits

The Chief Financial Officers Act of 1990 (CFO Act) and the Government Management Reform Act of 1994 (GMRA) were designed to improve overall financial management practices of federal agencies. The Department's ability to produce reliable information on the costs of federal programs and activities has become extremely important for reporting financial information.

The Department's management is responsible for establishing and maintaining an internal control structure. The objective of the internal control structure is to provide management with assurance that transactions are executed in compliance with the laws, regulations, and any other pronouncements that effect the financial statements. In fulfilling this responsibility, management is required to make estimates and judgments in order to assess the expected benefits and related costs of internal control structure policies and procedures.

A $2.1 million increase will target specific problems and work to ensure the integrity of the Department's financial statements, thereby resulting in the attainment of 100% unqualified financial audit opinions. The increase will also help to provide an integrated financial management system to comply with federal accounting practices.

Context

Financial statement audits are rated on the following basis:

- Unqualified Opinion - The financial statement presents fairly, in all material aspects, the entity's financial position and results of operations.
- Qualified Opinion - Except for the effects of the matter(s) to which the qualification relates, the financial statements present fairly, in all material respects, the entity's financial position and results of operations.
- Adverse Opinion - The financial statements do not present fairly the entity's financial position or results of operations.
- Disclaimer of Opinion - The auditor does not express an opinion on the financial statements.

To reach the Department's goal of having a 100% unqualified opinion by FY 1999, the financial statement must be free of any material misstatements and present fairly, in all material aspects the Department's financial position and results of operation.

Components

Bureau	Program Increase	Request ($ millions)
OIG	Perform Audits	$1.1
ITA	Personal Property Inventory & Accountability System	1.0
PTO	Financial Management Systems and Reporting	[2.6]
GA - CAMS	CAMS	[10.0]
Total		**$2.1**

Priorities and Initiatives

Clean Financial Audits (cont.)

The Inspector General will conduct audits of Departmental financial statements. PTO will develop and modify financial management and reporting systems, adapt current operating procedures, and revise and develop new reporting methodologies to capture and report on the additional budgetary and program cost information in an effective and cost efficient manner. All bureaus will contribute to the implementation of the Commerce Administrative Management System (CAMS).

ITA will adopt, and be "cross-serviced" by the Department of the Interior's Federal Financial System and ensure that ITA financial data is recorded in accordance with financial management requirements of the CFO Act. ITA will also assure that personal property is inventoried and recorded in accordance with the CFO Act.

Measures and Targets Summary

Type of Opinion	FY 1996 (actual)	FY 1997 (actual)	FY 2000 (estimate)
Unqualified	7	11	15
Qualified	3	2	0
Disclaimer	4	2	0

Three of the *unqualified* opinions for FY 1997 were for the balance sheet only and two of the *qualified* opinions were for the balance sheets only.

Priorities and Initiatives

PTO as a Performance Based Organization

Rationale and Benefits

As part of the Administration's efforts to make government work better and cost less, this initiative will enable PTO to become a PBO, improving its ability to deliver services to its customers on a level comparable with the private sector. A PBO structure removes current federally imposed administrative burdens that prevent it from operating like a business.

Context

PTO is a key component of Department of Commerce efforts to help American businesses compete successfully in the increasingly technology-based global economy. PTO plays a pivotal role in recognizing, protecting and promoting the use of intellectual property rights through patents and trademarks. PTO must become more efficient and effective in providing its services as product lifecycles become shorter.

PTO meets the threshold requirements for becoming a PBO. It is revenue-producing and self-sustaining; involved in a large number of business-type transactions with the public and must have the capability of responding to the needs of a growing market for its services which it cannot control. The Administration will be submitting proposed legislation to Congress, which would implement this priority and initiative -- thus transforming PTO into a PBO.

Components

The PBO would build upon PTO's on-going efforts to: reduce processing time for patents, trademarks and information dissemination requests by enhancing production; increase customer satisfaction through service quality improvement; increase organizational efficiency and effectiveness through consolidation of PTO office space; and enhance executive direction and policy support functions.

Measures and Targets Summary

Goal	Measure	Target
Grant exclusive rights, for limited times, to inventors for their discoveries	Average cycle time of original inventions processed (months)	10.2 (FY 2000)
Enhance trademark protection	Pendency time to registration (months)	3.0 to first action, 13.8 to disposal/registration (FY 2000)

Economic Development Administration

- **Assisting Distressed Communities**

Enabling Legislation

The Economic Development Administration (EDA) was established under the Public Works and Economic Development Act of 1965 (42 U.S.C. 3121) and reauthorized for five years by the Economic Development Administration Reform Act (P.L. 105-393), to generate new jobs, help retain existing jobs, and stimulate industrial and commercial growth in economically-distressed areas of the United States.

Bureau Context

EDA helps distressed communities overcome barriers that inhibit the growth of their local economies and limit their ability to compete effectively regionally, nationally and globally. **Our foremost objective is to create a climate conducive to the development of private enterprise in America's distressed communities.**

Rapidly changing technology, production, and trade patterns constantly create new challenges for diverse local and regional economies. While some communities benefit, others are left behind. Economic prosperity at the national level is not evenly distributed. Many communities lack the resources to keep pace with change or to prepare for the technologies driving world commerce. EDA targets assistance to communities in transition to solve problems of substantial and persistent economic deterioration, as well as significant near-term economic dislocations brought about by sudden and severe changes in local economic conditions. EDA does not predetermine the types of projects funded each year, but responds to local and state priorities based on locally developed strategies. Its investments in some instances produce immediate results, such as construction jobs or averting the loss of a major employer. In other cases, permanent jobs, private sector investment, and increased tax base are realized over a period of years.

EDA supports three Commerce themes: economic infrastructure, science and technology, and resource management and stewardship. EDA's strategic goals are to:

- Create jobs and private enterprise in distressed communities
- Build local capacity to achieve and sustain economic growth

EDA has the necessary tools and experience to meet the changing needs and challenges of America's communities. Using EDA's highly flexible programs for public infrastructure, revolving loan funds, planning, technical assistance, and research, distressed communities create jobs and stimulate growth. These program tools, used together, can help prepare communities for rapidly changing technologies and global competition. In FY 2000, EDA will invest:

- $347 million to enhance partnerships for community and regional economic development
- $12 million for community economic adjustment to help communities and firms adjust to changing trade patterns
- $3.4 million for disaster mitigation and recovery as part of the Natural Disaster Reduction Initiative
- $1.6 million for National Program Analysis and Information Consolidation (or clearinghouse)

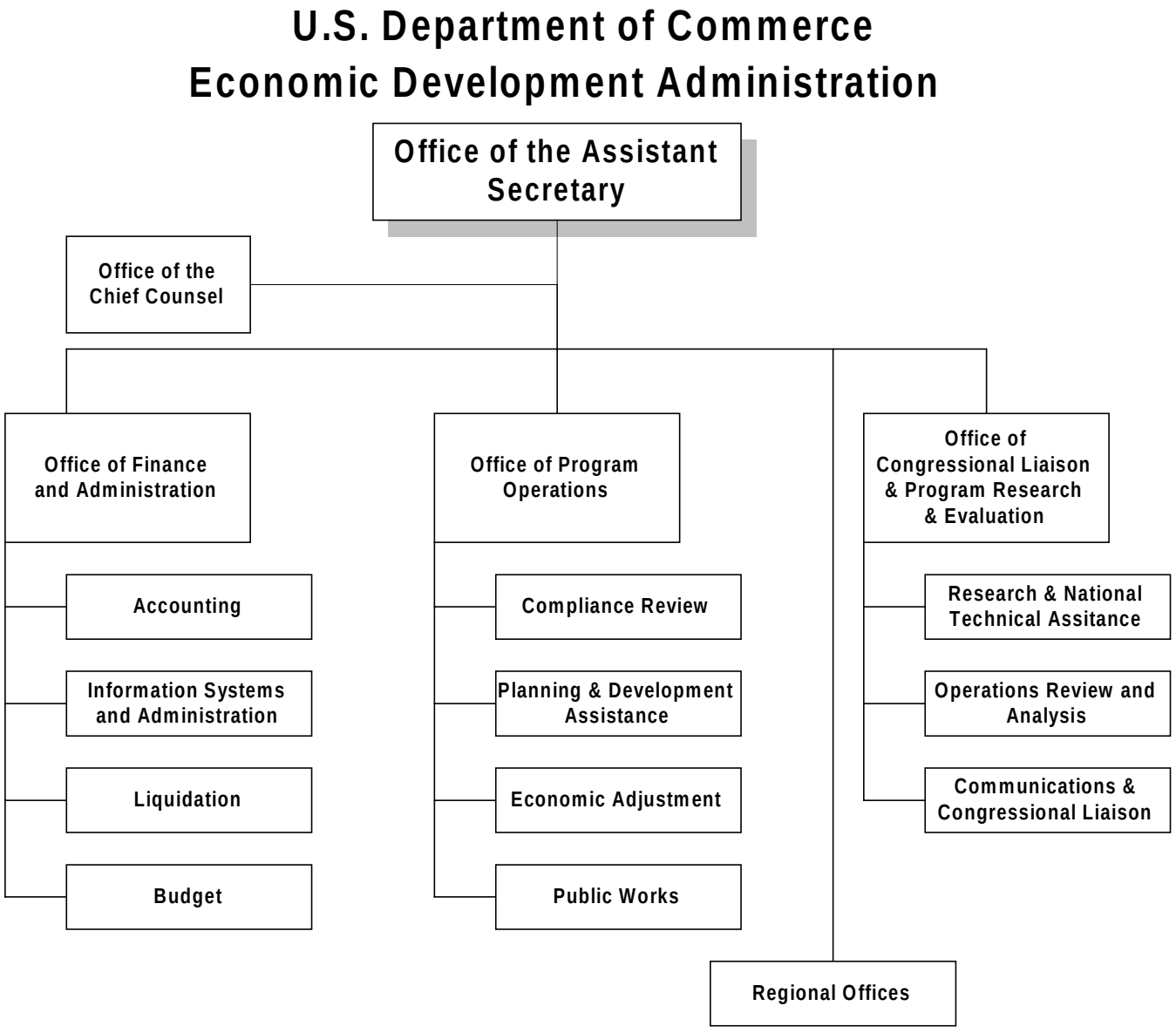
Priorities and Initiatives

Assisting Distressed Communities - EDA continues to help distressed communities recover from sudden and/or severe economic downturns such as those caused by increased foreign imports, international trade agreements, industry downsizings, plant closings, environmental regulations, and natural disasters.

Economic Development Administration

Assisting Distressed Communities

Organizational Structure



Economic Development Administration

- **Assisting Distressed Communities**

Measures and Targets Summary

Measure	Target
Goal: Create jobs and private enterprise in economically distressed communities	
Permanent jobs created or retained	6,675 by FY 2003 33,376 by FY 2006 66,753 by FY 2009
Private dollars invested	$0.19 billion by FY 2003 $0.95 billion by FY 2006 $1.98 billion by FY 2009
State and local matching funds committed for EDA projects	$114 million by FY 2000
Percent of public works and economic adjustment construction and revolving loan fund grants in areas of highest distress	20% for FY 2000
Goal: Build community capacity to achieve and sustain economic growth	
Percent of sub-state jurisdiction members actively participating in the Economic Development District Program	75% by FY 2000
Percent of Economic Development Districts and Indian tribes grantees organizations whose Comprehensive Economic Development Strategy (CEDS) is on time and acceptable	75% by FY 2000
Percent of clients rating technical assistance received as a 7 on a 1 to 10 scale	75% by FY 2000
Percent of clients rating trade adjustment assistance received as a 7 on a 1 to 10 scale	75% by FY 2000
Number of research and technical assistance results published or presented nationally each year	5 annually
Percent of local technical assistance and economic adjustment strategy grants in areas of highest distress	20% for FY 2000
Certification processing time for trade impacted firms	90% for FY 2000

Resource Requirements Summary

$393 million ($364 million for Economic Development Assistance Programs, $29 million for S & E)

272 FTEs
Skills: Economic development, planning, legal, engineering, technology, environmental (includes all EDA FTE – 265 direct, 7 reimbursables)

IT Requirements: Upgrade database management systems, develop new grantee performance management system

Economic Development Administration

Create jobs and private enterprise in economically distressed communities

Assisting Distressed Communities

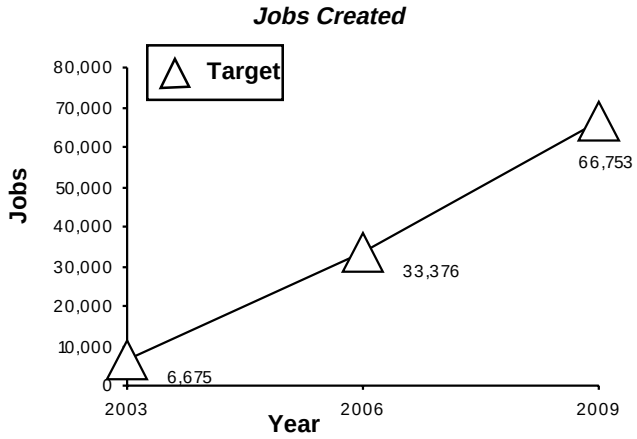
Rationale for/Comments on Performance Goal

National economic prosperity is not evenly distributed. Areas experiencing high unemployment, low income levels, long-term economic decline or other severe economic problems often lack resources to create jobs or respond well to rapidly changing technology, production, and trade patterns.

Currently available economic statistics show that approximately 13.7 percent of the population, or 36.5 million people, live in poverty (U.S. Bureau of the Census, 1996). EDA targets assistance to communities with unemployment rates one percent or more above the national average, and per capita incomes less than or equal to 80 percent of national per capita income.

EDA also helps communities respond to severe changes in local economic conditions resulting from a wide range of factors, including the loss of major employers, defense downsizing and base closures, trade impacts, and natural disasters. Strategic investments in public infrastructure and local capital markets can help distressed communities create and retain jobs, stabilize and diversify local economies, and generate future growth.

Outcome Measure: Number of permanent jobs created or retained in distressed communities as a result of EDA grants



Data Validation and Verification

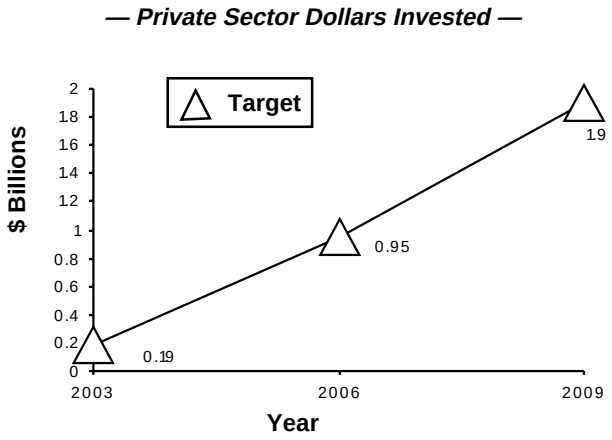
Target:	66,753 by FY 2009
Data source:	Grantee performance reports
Frequency:	3, 6 and 9 years after grant award
Baseline:	Program evaluation conducted by Rutgers, et al. (1997) (See Appendix 5)
Data storage:	EDA database (OPCS) under development.
Verification:	EDA will conduct periodic performance reviews and site visits to verify data. During FY 1999, EDA will conduct a pilot review of 58 construction projects completed in FY 1993 and 44 revolving loan fund projects approved in FY 1993. EDA will work with Rutgers to provide training for EDA grantees and staff on valid methods for reporting and verifying data.
Comment:	The Rutgers' evaluation documented long-term outcomes for EDA public works and revolving loan fund projects. EDA will report on outcomes for FY 2000 grants in FY 2003, FY 2006 and FY 2009 (See Appendix 5).

Economic Development Administration

Create jobs and private enterprise in economically distressed communities (cont.)

- **Assisting Distressed Communities**

Outcome Measure: Private sector dollars invested in EDA projects



Data Validation and Verification

Target:	$1.9 billion by FY 2009
Data source:	Grantee performance reports
Frequency:	3, 6 and 9 years after grant award
Baseline:	Program evaluation conducted by Rutgers, et al. (See Appendix 5)
Data storage:	EDA database (OPCS) under development
Verification:	EDA conducts periodic performance reviews and site visits to verify data. During FY 1999, EDA will conduct a pilot review of 58 construction projects completed in FY 1993 and 44 revolving loan fund projects approved in FY 1993. EDA will continue to work within the context of the ongoing Rutgers pilot review and evaluation to provide training for EDA grantees and staff on valid methods for reporting and verifying data.
Comment:	The Rutgers' evaluations documented long-term outcomes for EDA public works and revolving loan fund projects (See Appendix 5). EDA will report on outcomes for FY 2000 grants in FY 2003, FY 2006, FY 2009.

Outcome Measure: State and local dollars committed to EDA-funded projects

Data Validation and Verification

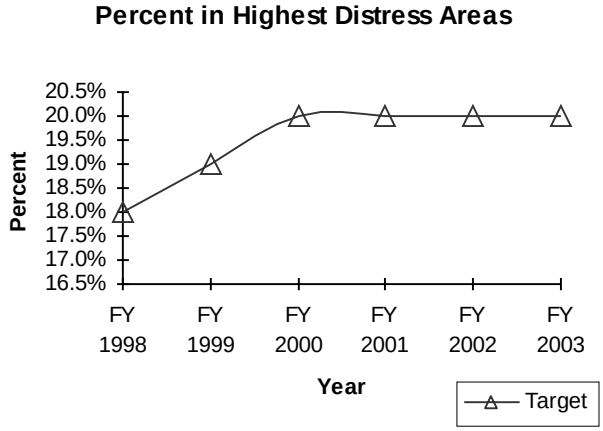
Target:	$114 million by FY 2000
Data source:	Grantee applications and progress reports.
Frequency:	At time of grant award and project completion
Baseline:	Program evaluation conducted by Rutgers, et al. (See Appendix 5)
Data storage:	EDA database (OPCS)
Verification:	EDA verifies non-federal funds committed to projects prior to disbursement of grant funds.
Comment:	EDA will report FY 1999 commitments in FY 2000.

Economic Development Administration

Create jobs and private enterprise in economically distressed communities (cont.)

Assisting Distressed Communities

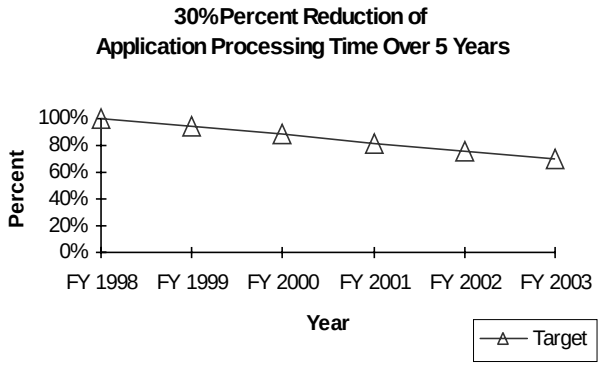
Interim Measure: Percent of public works and economic adjustment construction, and revolving loan fund grants awarded in areas of highest distress



Data Validation and Verification

Target:	20% of FY 2000 grants
Data Source:	Bureau Labor Statistics and 1990 Census
Frequency:	Quarterly
Baseline:	FY 98 Projects
Data Storage:	EDA OPCS Database
Verification:	Statistical data is based on the Bureau of Labor Statistics employment data and 1990 Census income data. EDA will sample projects quarterly to ensure accurate reporting.
Comment:	Some EDA public works and economic adjustment special impact areas, multi-county grants, and Indian tribes will not have data. Consistent with draft regulations, "highest distress" is defined in this reporting period as two-year unemployment rates above 9% , or per capita income at 60% and below the national per capita income, or special need.

Process Measure: Application processing time for public works and economic adjustment construction, and revolving loan fund grants



For the process measure *Application processing time for public works and economic adjustment construction, and revolving loan fund grants*, the baseline is 97.5 median days. This is based on preliminary analysis of FY 1998 data. EDA will review the processes for data entry and do further analysis to refine the baseline and target.

Data Validation and Verification

Target:	Reduce the application process by 6% annually for public works and economic adjustment construction, and revolving fund grants.
Data Source:	Regional inputs of completed applications that are numbered and accepted, and finalized.
Frequency:	Quarterly
Baseline:	FY 98 Projects
Data Storage:	EDA OPCS Database
Verification:	EDA will sample projects quarterly to ensure accurate reporting.
Comment:	Process time varies by EDA program. EDA is committed to continue streamlining the application process.

Economic Development Administration

Create jobs and private enterprise in economically distressed communities (cont.)

- **Assisting Distressed Communities**

Means and Strategies:

Strategic investments in public infrastructure and local capital markets help distressed communities overcome barriers to economic growth. EDA public works and revolving loan fund grants provide flexible financing to implement locally-developed strategies addressing the unique set of economic conditions, needs, opportunities, and constraints within each community.

EDA programs strengthen the economic infrastructure of the Nation's most distressed communities. In addition, they encourage communities to explore different approaches and strategies to develop employment and private enterprise, depending on local needs and priorities. Strategic investments through EDA's flexible program tools include, but are not limited to:

Activity	Strategies
Public Works	
Provide construction grants for economic development projects in distressed communities.	Build or rebuild public infrastructure (roads, water, sewer, and other infrastructure) to support the establishment or expansion of commercial and industrial facilities in distressed communities. Help communities upgrade technology infrastructure and training facilities to prepare for a technology-based economy. Redevelop abandoned or under-utilized industrial sites and facilities, including "brownfields" to restore employment and private investment in distressed areas. Support resource recovery and sustainable development initiatives.
Economic Adjustment	
Provide construction and revolving loan fund grants to implement economic adjustment strategies in response to sudden job loss and severe economic distress.	Help communities avert the loss of major employers through flexible financing to modernize aging plant and equipment, introduce new technologies, products and markets, and increase productivity. Help communities recover from the loss of a major employer(s) through investments to stabilize and diversify the local economy. Target flexible financing and modern infrastructure of growth industries and new enterprise in distressed communities. Defense adjustment and disaster recovery.

Economic Development Administration

Create jobs and private enterprise in economically distressed communities (cont.)

Assisting Distressed Communities

Crosscutting Activities – Department-Wide

EDA's FY 2000 budget calls for increased collaboration with other Commerce programs. To bring complementary strengths and skills to prepare distressed communities for technology-based economy, EDA colloborates with the Technology Administration (TA), National Institute of Standards adn Technology (NIST), National Telecommunications Information Administration (NTIA) and Minority Business Development Agency (MBDA). Other examples of Commerce coordination and colloboration include:

- TA/Nist on Manufacturing Extension Partnership (MEP)
- NTIA on telecommunications and information infrastructure grants
- MBDA on business assistance services
- Economics and Statistics Administration (ESA) on economic conversion information
- National Oceanic and Atmosphere Administration (NOAA) on a natural disaster reduction initiative, and a sustainable development initiative

Crosscutting Activities – Other Federal Agencies

- *Environmental Protection Agency (EPA)* – brownfields redevelopment and air quality
- *Department of Defense Office of Economic Adjustment (OEA)* – defense adjustment
- *Department of Energy (DOE)* – community adjustment to energy lab closures
- *Department of Labor (DOL)* – community defense and trade adjustment
- *Federal Emergency Management Agency (FEMA)* - disaster mitigation, recovery, and training
- *U.S. Army Corp of Engineers (USACE)* – post-disaster economic recovery projects
- *Appalachian Regional Commission (ARC)* – community economic development in the 13 state ARC service area
- Empowerment Zone/Enterprise Community (EZ/EC) – EDA is an active partner and investor with *Housing and Urban Development* and *Department of Agriculture* in EZ/EC implementation programs
- Brownfields – EDA was the first agency to partner with *EPA* on brownfields redevelopment
- *President's Council on Sustainable Development* - EDA participates in conferences, program prioritization, and policy discussions
- Indian and Alaskan Native Village Economic Development, *White House Conference on Building Economic Self-Determination in Indian Communities* – EDA will work with other departments to study the technology infrastructure needs of Indian communities and to develop a strategic plan for coordinating economic development activities for Native American and Alaska Native communities
- Regional Planning - EDA is an active participant in the *Council on Environmental Quality* in developing federal policy on urban sprawl, smart growth and regionalization

EDA has established interagency agreements with most of these and other agencies to define roles in funding related project activities or initiatives. EDA will begin a systematic review of interagency agreements and performance measures for crosscutting programs/initiatives in FY 1999.

Economic Development Administration

Create jobs and private enterprise in economically distressed communities (cont.)

- **Assisting Distressed Communities**

External Factors

- Changes in national or regional economic conditions that impact business growth and investment decisions in communities receiving EDA assistance affect program outcomes. Natural disasters, national priorities, and other major events can create a special need or unanticipated demand for EDA assistance. These special needs or unanticipated demands can alter the mix of projects funded each year. EDA does not predetermine the types of projects funded, but responds to local and state priorities based on locally developed strategic plans. This limits EDA's ability to anticipate the exact mix of project types that will be funded in any given year. The Rutgers studies found that performance varies by type of project (see Appendix 5).

Resource Requirements Summary

$285 million for public works and economic construction, and revolving loan funds (subtotal of $364 million for EDA programs)

Skills: Economic development policy, project management, legal, engineering, environmental

IT Requirements: Upgrade database for project management and performance measures

Economic Development Administration

Build local capacity to achieve and sustain economic growth

- Assisting Distressed Communities

Rationale for/Comments on Performance Goal

Economic development is a local process. The federal role is to help distressed communities build capacity to identify and overcome barriers that inhibit economic growth. EDA's approach is to support local planning and long-term partnerships with state and regional organizations that can assist distressed communities with strategic planning and investment activities. This process helps local communities set priorities, determine the viability of projects, and leverage outside resources to improve the local economy and sustain long-term growth. EDA funds projects based on sound local planning, and requires communities to provide local or state matching funds for EDA projects.

Recent evaluations of EDA's public works and defense adjustment programs (See Appendix 5) show that EDA planning and technical assistance play a significant role in the successful completion and outcomes of its infrastructure and revolving loan fund projects.

Outcome Measure: Percent of Economic Development Districts and Indian tribes' grantee organizations whose Comprehensive Economic Development Strategy (CEDS) is on time and acceptable

Data Validation and Verification

Target:	75% by FY 2000
Data source:	Regional Office Staff Inputs
Frequency:	Annual
Baseline:	FY 1999
Data storage:	EDA database (OPCS) under development
Verification:	EDA will conduct periodic performance reviews and site visits including interviews with clients.
Comment:	Evaluation process to be developed in FY 1999

Outcome Measure: Percent of sub-state political jurisdiction members actively participating in the Economic Development District program

Data Validation and Verification

Target:	75% by FY 2000
Data source:	Regional Office Staff Inputs
Frequency:	Annual
Baseline:	FY 1999
Data storage:	EDA database (OPCS) under development
Verification:	EDA will conduct periodic performance reviews and site visits including interviews with clients.
Comment:	Evaluation process to be developed in FY 1999

Outcome Measure: Percent of clients satisfied with technical assistance provided for local economic and business development

Data Validation and Verification

Target:	75% of FY 2000 clients assisted by University Centers rate technical assistance as 7 or higher on a scale of 1 to 10
Data source:	Grantee client surveys/reports
Frequency:	Annual
Baseline:	FY 1999
Data storage:	EDA database (OPCS) under development
Verification:	EDA will conduct periodic performance reviews and site visits including interviews with clients.
Comment:	Evaluation process to be developed in FY 1999.

Economic Development Administration

Build local capacity to achieve and sustain economic growth (cont.)

Assisting Distressed Communities

Outcome Measure: Percent of clients satisfied with assistance provided for trade adjustment assistance to firms

Data Validation and Verification

Target:	75% of FY 2000 clients assisted by Trade Adjustment Assistance Centers rate trade adjustment assistance as 7 or higher on a scale of 1 to 10.
Data source:	Grantee client surveys/reports.
Frequency:	Annual
Baseline:	FY 1999
Data storage:	EDA database (OPCS) under development
Verification:	EDA will conduct periodic performance reviews and site visits including inter views with clients.
Comment:	Evaluation process to be developed in FY 1999.

Outcome Measure: Number of research and national technical assistance results published or presented nationally each year

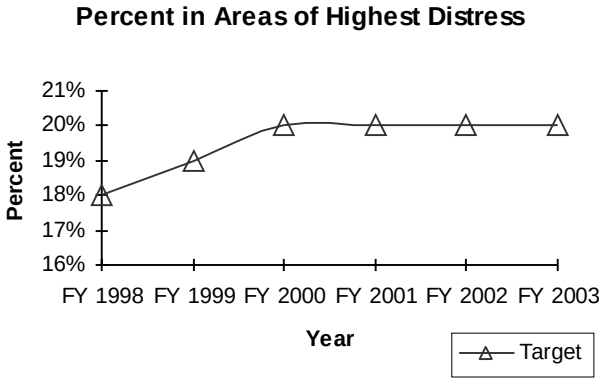
— Publications and Presentations —

Year	*1998*	*1999*	*2000*	*2001*	*2002*
#	5	5	5	5	5

Data Validation and Verification

Target:	5 annually
Data source:	Grantee Reports
Frequency:	Annual
Baseline:	5, based on FY 1997 reports published and presented
Data storage:	EDA's Research & National TA Program office
Verification:	EDA will verify by obtaining publications and monitoring national presentations.
Comment:	Program evaluations and performance measurement are priorities for EDA's research and national technical assistance program (See Appendix 5).

Interim Measure: Percent of local technical assistance and economic adjustment strategy grants awarded in areas of highest distress



Data Validation and Verification

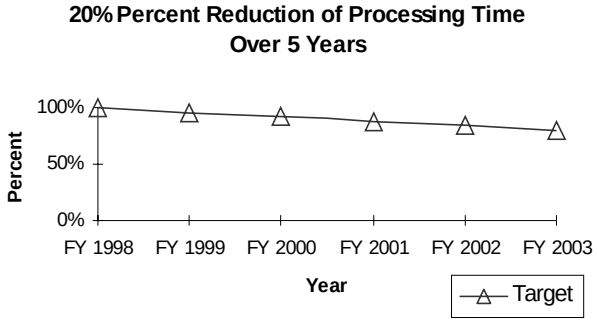
Target:	20% of FY 2000 grants
Data Source:	Bureau Labor Statistics and 1990 Census
Frequency:	Quarterly
Baseline:	FY 98 Projects
Data Storage:	EDA OPCS Database
Verification:	Statistical data is based on the Bureau of Labor Statistics employment data and 1990 Census income data. EDA will sample projects quarterly to ensure accurate reporting.
Comment:	Highest distress is defined in this reporting period as two-year unemployment rates above 9% , or per capita income at 60% and below the National per capita income, or special need.

Economic Development Administration

Build local capacity to achieve and sustain economic growth (cont.)

Assisting Distressed Communities

Process Measure: Certification processing time for trade impacted firms.



Data Validation and Verification

Target:	Reduce the certification processing time by 5% annually.
Data Source:	OPCS
Frequency:	Quarterly
Baseline:	FY 98 Projects
Data Storage:	EDA OPCS Database
Verification:	EDA will sample projects quarterly to ensure accurate reporting.
Comment:	EDA is committed to continue streamlining the certification process for trade impacted firms.

Means and Strategies

Means or Activity	Strategy or Rationale	Output Indicators
Planning and Technical Assistance:		
EDA builds capacity for strategic planning and investment activities through a national network of 320 Economic Development Districts (EDDs), 64 Indian tribes, 69 University Centers, and 12 Trade Adjustment Assistance Centers (TAACs). These programs work in unison to: 1) enhance local capacity, and 2) remove barriers to economic growth.	Distressed communities often lack the professional staff and technical expertise required to support the effective planning of economic development programs. Through a network of regional planning organizations and technical assistance centers, EDA's planning and technical assistance programs are providing distressed communities and firms with the technical assistance and the professional staff needed to spur economic development growth.	Grants to support strategic planning and technical assistance providers. Percentage of strategic plans incorporating trade or technology initiatives. Percent of firms with increased sales or employment following completion of TAAC program. Percent of grantees doing business on the World Wide Web. Development of an EDA web page to disseminate national research and other pertinent materials dealing with economic development.
National Program Analysis and Information Collection:		
EDA provides research and national technical assistance grants for cutting edge research; evaluations that provide practical, up-to-date information on the effectiveness of tools for economic competitiveness; and for the dissemination of information to institutions, communities and entities engaged in enhancing America's economic competitiveness.	It is often difficult to obtain access to research, best practices and new knowledge about economic development issues and problems affecting distressed communities and diverse local economies. This program sponsors new research and encourages state and local practitioners to share information	Number of national and regional conferences supported by EDA. Improved use of EDA's website to share information and research findings.

Economic Development Administration

Build local capacity to achieve and sustain economic growth (cont.)

- **Assisting Distressed Communities**

Crosscutting Activities – Department-wide

See Crosscutting Activities under the goal "Create jobs and private enterprise in economically distressed communities" on page III-8.

Crosscutting Activities – Other Federal Agencies

See Crosscutting Activities under the goal "Create jobs and private enterprise in economically distressed communities" on page III-8.

External Factors

Changes in national or regional economic conditions, natural disasters, or other major events can affect resources available for planning and technical assistance activities. Research outcomes cannot be predicted.

Resource Requirements Summary

$79 million for EDA Capacity Building programs (subtotal of $364 million for EDA programs)

Skills: economic development policy, planning, and program analysis

IT Requirements: New Web system, new grantee database

Economics and Statistics Administration

- **Decennial Census**
- **Statistical Infrastructure**

Bureau Context

The Economics and Statistics Administration (ESA) is the agency where economic and societal change is chronicled, understood and explained. Many of the Nation's decisions are based upon the economic and demographic information that the agency produces. ESA's mission is to:

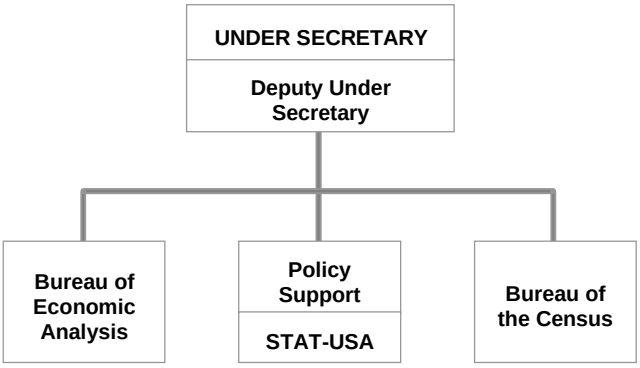
- Help maintain a sound federal statistical system that monitors and measures America's rapidly changing economic and social arrangements
- Improve understanding of the key forces at work in the economy and the opportunities they create for improving the well-being of Americans
- Develop new ways to disseminate information using the most advanced technologies
- Support the information and analytic needs of the Commerce Department, the Executive Branch, and the Congress.

ESA's headquarters has two main roles: economic policy analysis and data dissemination. ESA's staff and programs provide vital information, analysis, and advice to Commerce and other Executive Branch departments, agencies, and officials. ESA's staff economists conduct research on the factors contributing to U.S. industrial strength and the relationship between industry performance and economic growth, including studies on the economic importance of manufacturing and service industries, and on the scope and economic impacts of electronic commerce.

ESA has developed STAT-USA, an easy to use, "one-stop shop" for data dissemination that provides a focal point for business, economic, and trade statistics. STAT-USA uses advanced information technologies to meet private sector demands for information products, including STAT-USA/Internet. Through STAT-USA, ESA also provides specialized information services to Government agencies.

Organizational Structure

ESA comprises the Office of the Under Secretary, the Bureau of Economic Analysis (BEA) and the Bureau of the Census. While BEA and the Bureau of the Census both report to the Under Secretary, they are funded through separate appropriations. In the development of the Annual Performance Plan (APP), ESA has separated the bureau-level discussions of BEA and the Bureau of the Census to maintain the distinction of their bureaus and the delineation of their budget appropriations. However, because of the consistency of the goals and performance measures of the Bureau of the Census economic group and BEA, the subsequent goal-level discussion is integrated.



ESA Headquarters includes the Office of the Under Secretary and policy support staffs, and STAT-USA, which is funded through ESA's revolving fund.

The Bureau of the Census

- Decennial Census
- Statistical Infrastructure

Enabling Legislation

Title 13 of the United States Code establishes a Bureau of the Census and provides for various surveys and censuses and the confidentiality thereof.

Section 401 of Executive Order 12656 directs the Secretary of Commerce to provide for the collection and reporting of census information on human and economic resources, and to maintain a capability to conduct emergency surveys to provide information on the status of these resources as required for national security.

Parts 30-100 of Title 15 of the Code of Federal Regulations contain regulations for foreign trade statistics, training of foreign participants in census procedures and general statistics, special services and studies, cutoff dates for recognition of boundary changes for the Decennial Census, furnishing personal census data from census of population schedules, procedures for challenging certain population and income estimates, and the official Bureau seal.

Bureau Context

The Bureau of the Census' mission is to be the preeminent collector and provider of data about the people and economy of the United States. The goal is to provide the best mix of timeliness, relevancy, quality, and cost for the data collected and services provided. The data provided by the Bureau of the Census shape important policy decisions that help improve our Nation's social and economic conditions:

- Bureau of the Census data provide the basis for estimating gross domestic product and leading economic indicators.
- They determine the apportionment of Congressional seats, as mandated in the Constitution.
- They inform us about education, income, and health care coverage.
- They are used by national, state, and local governments to formulate policy.
- They are used by large corporations and local businesses to devise their domestic and global strategies.

The credibility, expertise, and high statistical standards of the Bureau of the Census routinely elicit response rates of 90-95 percent for household surveys and 80 percent for business surveys. This allows the Bureau of the Census to provide the most accurate and reliable information available.

The Bureau of the Census has developed four bureau-wide strategies to achieve its mission. All goal-level strategies fall within one, or a combination, of these bureau-wide strategies:

- Valuing our employees
- Innovating in our work
- Responding to our customers
- Improving public cooperation

The Bureau of the Census has identified key challenges for 2000*:*

- Launch Census 2000 on April 1, 2000, capture data from 130 million questionnaires and release state population totals for apportionment by 12/31/00 as required by law.
- Collect sufficient year 2000 American Community Survey (ACS) data to provide a nationwide comparison of the ACS and Census 2000 data. The ensuing analysis will enable Census to eliminate the long form questionnaire from the 2010 Census.

Priorities and Initiativess

Decennial Census - To enable Congressional apportionment and distribute $180 billion in federal grants, the Bureau of the Census will plan for and conduct the Decennial Census in the year 2000.

Statistical Infrastructure - With ESA and BEA, the Bureau of the Census is leading the initiative to enhance the Nation's statistical infrastructure.

The Bureau of the Census

- **Decennial Census**
- **Statistical Infrastructure**

National Performance Review

Vice President Gore's National Partnership for Reinventing Government (NPR), seeking to make government improvement more visible to the American public, designated 32 agencies as High Impact Agencies. As one of these High Impact Agencies, the Bureau of the Census has committed to quality, timeliness, relevancy, and cost goals that will deliver superior service to the public. This performance plan demonstrates the means and strategies to achieve that objective.

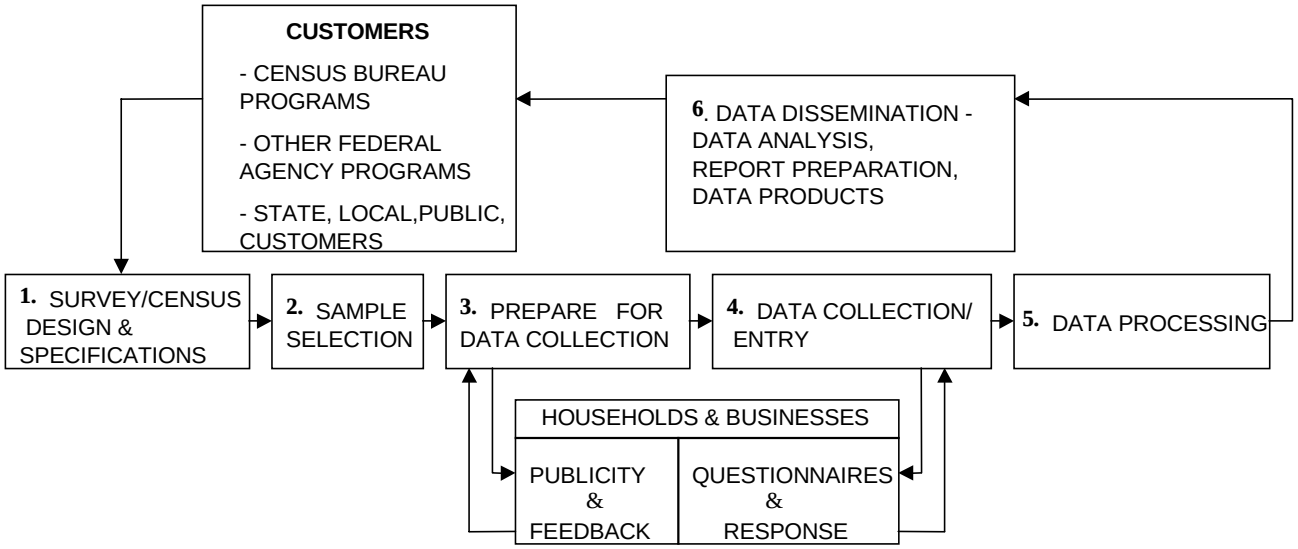
Organizational Structure and Business Processes

The Bureau of the Census' core business is conducting large-scale censuses and surveys. Consequently, the Bureau is organized according to the subjects covered by these censuses and surveys, primarily: Economic programs, Demographic programs, and the Decennial Census program.

The Bureau of the Census

- **Decennial Census**
- **Statistical Infrastructure**

CENSUS AND SURVEY OPERATIONS



How big is the Census?

- 275 million residents, 118 million housing units in the United States alone, 1.5 million housing units in Puerto Rico and the U. S. Island Areas
- 2.7 million applicants recruited, 300,000 jobs at peak, 475 Local Census Offices, 12 Regional Census Centers and 4 Data Processing Centers, 500 local area networks, 6,000 personal computers and 1,500 printers
- 8 million maps needed for field work, 79 million questionnaires returned within a two week period, 8 to 9 million blocks covered

Major Milestones of the Census

- Beginning mid-March 2000 : Census questionnaires delivered
- April 1, 2000: **CENSUS DAY**
- March-May 2000: Census takers visit housing units in rural and remote areas to drop off and/or pick up forms
- April-June 2000: Census takers visit housing units that did not return census forms. This is referred to as "non-response follow-up."
- October-November 2000: All field work completed
- December 31, 2000: Apportionment counts delivered to the President
- April 1, 2001: All states receive redistricting counts

The Bureau of the Census

- Decennial Census
- Statistical Infrastructure

Measures and Targets Summary

Performance measures reflect the Bureau of the Census' delineation along three data types: Economic, Demographic, and Decennial. Each of these three data types is evaluated along three performance criteria: accuracy, timeliness, and relevancy (customer satisfaction). Cost parameters govern the best mix of these three criteria. BEA and the Bureau of the Census's economic census data group, who have a high degree of collaboration, share goals and performance measures.

Goal: Provide quality data

Measure	Target
Decennial: Net population undercount	0.1%*
Economic: Accuracy score	TBD
Demographic: Percent of household surveys attaining 100 percent of reliability specifications**	100%
Demographic: Percent of household surveys with initial response rates greater than 90 percent***	100%

Goal: Provide timely and relevant data

Measure	Target
Decennial: Meet all Census 2000 published data release milestones on time	100% on time
Decennial: Qualitative independent evaluations	NA
Economic: Meet all principal economic indicator published release dates on time	100% on time
Economic: Customer satisfaction ranking****	>4 (5 point scale)
Demographic: Reduce time between data collection and data release for selected household surveys	5 % annual decrease
Qualitative customer evaluation	NA

* *Assumes sampling for non-response and the integrated coverage measurement survey (ICM). This APP was developed before the recent Supreme Court ruling and assumes the use of sampling in the 2000 Census. Under that assumption, we are requesting a total Decennial budget of $2.8 billion, a $1.78 billion increase above FY 1999, for census implementation and associated audits. The Census Bureau will develop a plan in light of the Supreme Court ruling and estimates of any associated costs. This plan will include the use of statistical methods, as appropriate, to provide the most accurate census data possible.*

** *Reliability: A series of statistical measurements that define the precision of a survey; e.g., standard error, coefficient of variation, and sample design effect.*

*** *Excludes household expenditure surveys.*

**** *This is a Bureau of Economic Analysis measure that is affected by the performance of Census economic programs.*

Resource Requirements Summary

$3.3 billion ($3.1 billion discretionary; $10 million mandatory; $185 million working capital fund)

64,208 FTEs
Skills: Statistics, Computers, HR/Financial/Facilities/Clerical, Data Processing

IT Requirements: $362 million for mission-critical infrastructure and architecture

Bureau of Economic Analysis

- Statistical Infrastructure

Enabling Legislation

The predecessor of the Bureau of Economic Analysis (BEA) — the Bureau of Foreign and Domestic Commerce — was established under 15 U.S.C. 171 *et seq.*, which provides the authority and responsibility for the functions of BEA. The following U.S. Code citations also apply:

- 15 U.S.C. 1516 provides the Secretary of Commerce with authority to gather and distribute statistical information.
- 22 U.S.C. 286f provides that the President shall make available balance of payments information as required by the Bretton Woods Agreement Act. BEA was assigned responsibility by Executive Order No. 10033, as amended, and subsequent Departmental delegation for the collection of certain balance of payments data and the publication of the U.S. balance of payments accounts.
- 22 U.S.C. 3101 *et seq.* provides that the President shall undertake mandatory surveys of U.S. direct investment abroad and foreign direct investment in the United States. BEA was assigned responsibility for the direct investment surveys under this act by Executive Order No. 11961 and subsequent Departmental delegation.

Bureau Context

Reliable and consistent measures of economic activity are essential to the decision-making of business people and policymakers, and to the efficient operation of financial markets. The mission of BEA is to produce and disseminate accurate, timely, relevant, and cost-effective economic accounts statistics that provide government, businesses, households, and individuals with a comprehensive, up-to-date picture of economic activity.

As the Nation's accountant, BEA develops measures and systems for collecting and interpreting vast amounts of diverse data from government and private sources. BEA combines and transforms those data into a consistent and comprehensive picture of economic activity, which is summarized by the estimates of gross domestic product (GDP). BEA's national, regional, and international economic accounts form much of the core of the federal statistical system, which in turn is critical to sound economic decisions by businesses, individuals, state and local governments, and federal institutions, such as the Treasury Department and the Federal Reserve. These data provide many of the yardsticks by which the health and potential of the economy are judged. They affect every American who runs a business, saves for retirement, or takes out a mortgage. BEA data are also essential to the Federal government, providing information for policy development.

The major issue confronting BEA is the need to improve the accuracy and reliability of its economic accounts estimates. For example, there has been growing concern in the economic community over the "statistical discrepancy," i.e., the difference between GDP, as measured by final expenditures for the goods and services produced by the U.S. economy, and gross domestic income (GDI), an alternative output measure that is derived by totaling the costs incurred and the incomes earned in the production of those goods and services. The discrepancy between these measures, which in theory should be equal, calls into question the accuracy of BEA's estimates. BEA is pursuing many initiatives to improve the accuracy and reliability of its estimates, including working with the Bureau of the Census, the Bureau of Labor Statistics, and other source data agencies to provide comprehensive coverage of services and other new and rapidly expanding sectors of the U.S. economy.

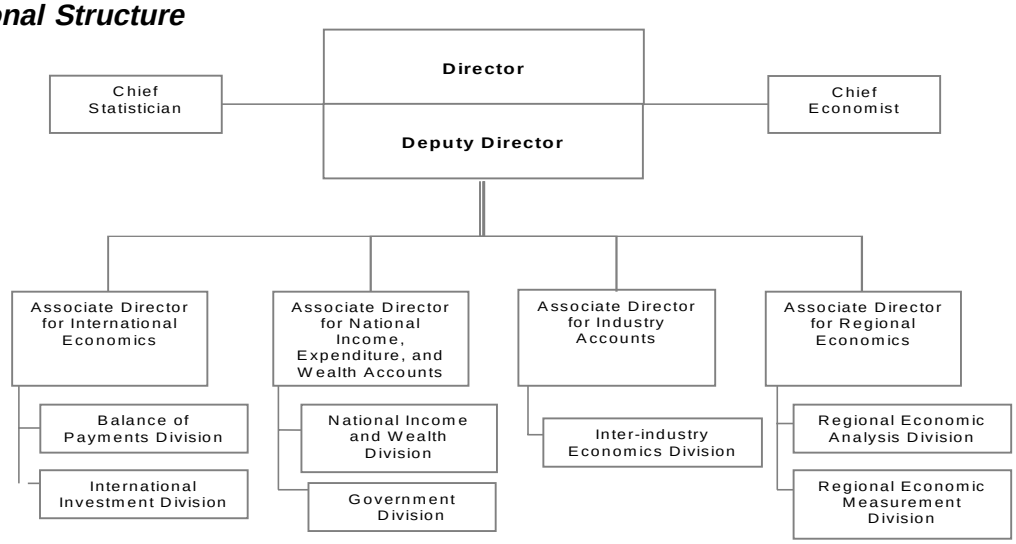
Priorities and Initiativess

Statistical Infrastructure — BEA supports the Statistical Infrastructure initiative. Changes in the economy, loss of key source data, the need to update existing source data, and other economic measurement problems are major factors that affect the accuracy and coverage of BEA's economic accounts. BEA proposes to address these issues by undertaking source data improvement initiatives that will provide better measures of (1) services and other key product-side components and (2) compensation and other key income-side components.

Bureau of Economic Analysis

- **Statistical Infrastructure**

Organizational Structure



Measures and Targets Summary

BEA and the Bureau of the Census's economic census data group, who have a high degree of collaboration, share goals and performance measures.

Goal: Provide quality data

Measure	**Target**
Accuracy score (as determined by evaluation system - on a scale of 100)	>85

Goal: Provide timely and relevant data

Measure	
Mean Customer Satisfaction Rating (on a scale of 1 to 5)	>4
Percent of scheduled releases on time	100%

Resource Requirements

$49 million

475 FTEs
Skills: Economists, Accountants, Statisticians, Computer Specialists

IT Requirements:
Optimum performance of LAN system requires:

- Re-engineering of critical applications
- Construction of comprehensive database architectures
- Implementation of secure electronic bridges to data suppliers & customers
- Development of effective analytical tools

ESA: Census and BEA

Provide quality data

- Decennial Census
- Statistical Infrastructure

Rationale for/Comments on Performance Goal:

Accurate measures of our Nation's economic activity and demographic composition are critical to the efficient allocation of resources through political appropriation and private markets. Their impact can be seen in federal budget projections, where a downward revision of 0.5 percentage points in real GDP growth — roughly the size of the difference between income- and product-side GDP estimates in recent years — can cause projected budget deficits to increase by $200 billion over 5 years. Over $110 billion in federal grants to states are directly linked to BEA's estimates of regional income and product. The Bureau of the Census' Census 2000 determines voting districts and Congressional representation.

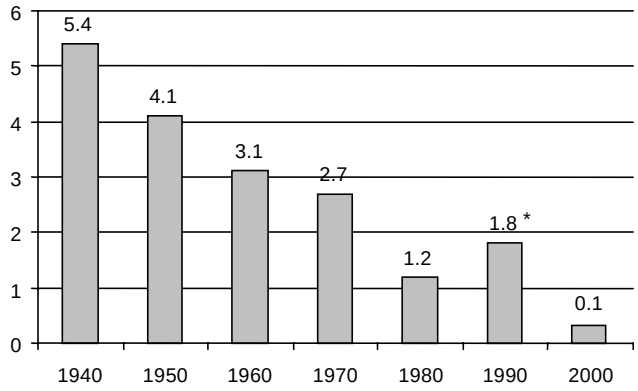
In large part, the success of BEA and Census is measured by public trust in the quality of their data. The scope of Census' information collection activities is unmatched and not easily replicated. Although there is no lack of quick polling and national studies by firms with strong reputations, the foundation for most of these studies is Bureau of the Census data. The accuracy and scope of the Bureau of the Census data provide benchmarks against which to judge the accuracy of other surveys.

Improving data quality is fundamental to the Secretarial objective of enhancing our Nation's statistical infrastructure. Census has been designated a High-Impact Agency by the National Partnership for Reinvention of Government (NPR). The Bureau of the Census' NPR quality goal for Census 2000 will be achieved by executing the most complete and accurate census ever at the lowest possible cost to taxpayers.

This APP was developed before the recent Supreme Court ruling and assumes the use of sampling in the 2000 Census. Under that assumption, we are requesting a total Decennial budget of $2.8 billion, a $1.78 billion increase above FY 1999, for census implementation and associated audits. The Census Bureau will develop a plan in light of the Supreme Court ruling and estimates of any associated costs. This plan will include the use of statistical methods, as appropriate, to provide the most accurate census data possible.

Census 2000 Data Quality
Measure: Net population undercount

Percent Net Undercount 1940-2000



** Corresponding measure from 1990 Post Enumeration Survey is 1.6*

Data Validation and Verification

Data collection: During the Integrated Coverage Measurement (ICM) quality check, people counted in the ICM will be compared with those enumerated in the census. After the matching is completed, a field interview will reconcile selected cases. Following that, the Bureau will use statistical procedures to produce a "one-number" census and meet the net undercount performance target.

Frequency: The measure will be obtained at the conclusion of the ICM.

Data storage: Internal Census databases

Verification: The Bureau will adhere to a documented statistical methodology that is documented and reported publicly.

Comments: The success of the ICM will mean the performance measure has been attained.

ESA: Census and BEA

Provide quality data (cont.)

- Decennial Census
- Statistical Infrastructure

Economic Census/BEA Data Quality

Measure: Accuracy score (as determined by comprehensive evaluation system) on a scale of 100

Year	*1997*	*1998*	*1999*	*2000*	*2001*
Target	NA	NA	85 (est.)	>85	>85

Data Validation and Verification

Target: >85 - Evaluation system is under development; thus, performance targets are preliminary.

Data collection: Data to be evaluated are major aggregate estimates regularly produced and publicly released by BEA.

Frequency: Measure will be compiled annually.

Data storage: Estimates to be evaluated are publicly released by BEA and are available in news releases, in the Survey of Current Business, and on BEA's Internet site.

Verification: BEA's estimates are a matter of public record, and its methodology for evaluating the data will be made available.

Comment: Although the measure will be evaluated by BEA, it will also serve as a performance measure / target for the economic Census data group as their data collection procedures contribute to the ultimate success in attaining quality statistical measures. Predetermined (and documented) evaluation scheme will be applied to estimates of major aggregates in BEA's economic accounts to produce a numerical score (maximum=100). The evaluation will take into account the coverage and timeliness of the source data; the reliability of the estimate in measuring the level, changes, and composition of economic activity; and the compliance of the source data and methods with current statistical standards.

Demographic Data Quality

Measure: Percentage of household surveys attaining 100% of specified reliability measures

Year	*1997*	*1998*	*1999*	*2000*	*2001*
Target	100%	100%	100%	100%	100%
Actual	100%	TBD	TBD	TBD	TBD

Data Validation and Verification

Data collection: Performance measure data on reliability is collected, calculated and assessed as the surveys are tabulated.

Frequency: Performance measures are available at the time of a survey's public data release.

Data storage: Survey performance data are in Census Bureau data bases and are published in public press releases and data reports (Source and Reliability Statements in every release)

Verification: The Bureau maintains and adheres to methodological standards that are documented and reported publicly.

Comment: Reliability measurements are a series of statistical measurements that define the precision of a survey; e.g., standard error, coefficient of variation, and sample design effect. The customer and the Census Bureau jointly determine reliability specifications before the survey is commissioned.

ESA: Census and BEA

Provide quality data (cont.)

- **Decennial Census**
- **Statistical Infrastructure**

Measure: Percentage of household surveys with initial response rates >90%

Year	*1997*	*1998*	*1999*	*2000*	*2001*
Target	100%	100%	100%	100%	100%
Actual	100%	TBD	TBD	TBD	TBD

Data Validation and Verification

Data collection: Response rates are monitored as the responses are collected in the field.

Frequency: Performance measures are available at the time of a survey's public data release.

Data storage: Survey performance data are in Census Bureau data bases and are published in public press releases and data reports (Source and Reliability Statements in every release)

Verification: The Bureau maintains and adheres to methodological standards that are documented and reported publicly.

Comment: Some household surveys are designed to follow respondents when they move to new locations. These "longitudinal design" surveys typically have response rates that decline below the 90% initial rate over time. These lower rates are reported when data are released. This measure excludes household expenditure surveys.

ESA: Census and BEA

Provide quality data (cont.)

- **Decennial Census**
- **Statistical Infrastructure**

Means and Strategies

Strategy or Rationale	Means or Activity	Output Indicators
Census 2000 Data Quality		
Use Technology Intelligently	•Digital "capture" of forms for reading handwriting and faster processing •Sophisticated "matching" software for quality control	Successful implementation of these strategies will be evident by adherence to the following calendar year 2000 key milestones for Census 2000: • Reach budgeted mail response rate (67%) by 4/27/00 • Reach non-response follow-up of 90% for all census tracts by 6/8/00 • Complete ICM procedures by 11/22/00 Deliver State population counts by 12/31/00
Use Statistical Methods (This APP was developed before the recent Supreme Court ruling and assumes the use of sampling in the 2000 Census. The Census Bureau will develop a plan in light of the Supreme Court ruling and estimates of any associated costs. This plan will include the use of statistical methods, as appropriate, to provide the most accurate census data possible.)	• Using sampling to gather information from nonrespondents • Use a large-scale quality check survey – the Integrated Coverage Measurement Survey – to produce a "one- number" census.	
Build Partnerships at every stage of the process - Enhance address file	• Build partnerships with the U.S. Postal service to increase access to addresses	
Build Partnerships at every stage of the process – Contract out	• Contract with world class companies for advertising and promotion, data capture and facilities management • Use private sector partnerships for major census processes	
Economic Census / BEA Data Quality		
Economic Census: Data Collection		
Increase coverage of services sector industries	• Conduct new Information and Financial industry surveys • Collect and provide more detailed measures and financial data for selected industries • Collect and provide annual estimates for construction industries and improved coverage of nonresidential reconstruction • Collect and provide expenditure and investment information from state and local governments.	• % coverage rate increase
BEA: Statistical Measures		
Develop new and improved measures of output (real GDP) and prices	• Extend quality adjustments to more products • Develop new concepts and methods for measuring difficult-to-measure and rapidly-growing goods and services • Develop new and updated source data for key components • Improve chain-weighted analytical devices • Improve real GDP-by-industry and real gross state product estimates • Incorporate improved CPI data • Further implementation of NAICS classification system • Develop independent estimates for not-for-profit sector	• # of new quality adjustments implemented • # of improvements implemented • # of key components addressed • # of improvements implemented • # of improvements implemented • # of improved CPI indexes used • Volume of data on NAICS basis • % of nonprofit sector accounted for

ESA: Census and BEA

Provide quality data (cont.)

- Decennial Census
- Statistical Infrastructure

Means and Strategies (cont.)

Strategy or Rationale	Means or Activity	Output Indicators
Economic Census / BEA Data Quality		
BEA: Statistical Measures		
Provide updated measures of the Nation's investment, saving, and wealth	• Expand empirical work on used asset prices • Improve treatment of computer software in economic accounts	• Change in value of capital stock • Change in value of software
Provide improved measures of U.S. international trade and finance	• Publish more detailed data on trade in services between U.S. companies and their foreign affiliates • Incorporate NAICS in benchmark survey results • Extend annual selected services surveys to collect key data quarterly • Eliminate gaps and overlaps between direct and portfolio investment • Develop means for collecting data on derivatives and new financial instruments • Develop estimates of understated exports and imports of goods	• Change in number of service categories covered • Volume of data on NAICS basis • Increase in frequency of data updates • Change in value of international investments • Volume of data collected • Increase in estimated exports and imports of selected goods
Demographic Data Quality		
Develop innovative measures to reduce non-response	• Investigate the use of incentives to respond	• Report on incentives to respond
Test alternative questionnaire designs to improve response rate	• Sample households nationwide to develop improved methods	• Report on success of alternative questionnaire
Improve employee / respondent contact to increase response	• Participate in new employee "goal sharing" to determine better performance incentives for field interviewer staff	• Report on better performance incentives

ESA: Census and BEA

Provide quality data (cont.)

- **Decennial Census**
- **Statistical Infrastructure**

Crosscutting Activities

- *BEA, the Bureau of the Census, the Bureau of Labor Statistics (BLS), and the Internal Revenue Service (IRS):* BEA works closely with source data agencies, including Census, BLS, and the IRS, to make them aware of BEA's data needs and to encourage their cooperation in meeting those needs.
- *Interagency Council on Statistical Policy:* Under the auspices of the Office of Management and Budget, both BEA and the Bureau of the Census are major participants in the Interagency Council on Statistical Policy, which works to improve collaborative activities of federal statistical agencies. Activities of the council have led to standardization of data and concepts, transfers of technology, methodology exchange, collaborative research, process improvement, improved customer service, reduced respondent burden, and infrastructure sharing.
- Additionally, the Bureau of the Census participates in numerous non-statistical federal agency activities, such as being a data supplier, a survey collection resource, and an advisory and research resource.

External Factors

- The Congress has required the Bureau of the Census to develop an alternative to the sampling methodology. The alternative – if mandated by Congress – will not achieve the net undercount performance measure.
- While improvements in BEA's estimation methods can offset some of the deficiencies in the source data, BEA's ability to move forward with improvements in its economic accounts is constrained by the quality and availability of the source data produced by other government agencies and private organizations.
- Survey non-response rates continue to rise, perhaps affected by public perception. The Bureau of the Census' strategies address segments of this problem. Many aspects of public non-response are beyond the Bureau of the Census' control.

Resource Requirements

$3.3 billion ($3.1 billion discretionary; $10 million mandatory; $185 million working capital fund)

64,208 FTEs
Skills: Statistics, Computers, HR/Financial/Facilities/Clerical, Data Processing

IT Requirements: $362 million for mission-critical infrastructure and architecture

ESA: Census and BEA

Provide timely and relevant data

- **Decennial Census**
- **Statistical Infrastructure**

Rationale for/Comments on Performance Goal:

To meet the needs of their users, BEA and the Bureau of the Census must produce and disseminate timely and relevant data. No matter how high the quality of the estimate is, the data are of no use until they are available to the data users. Thus, BEA and Census strive to release their estimates as soon as reasonably possible, to publish a schedule of future release dates, and to consistently meet that schedule. In addition, the usefulness of BEA's estimates depends on how well they meet the needs of the broad range of data users. Therefore, achieving a high level of customer satisfaction is an important measure of the success of BEA's programs.

Providing relevant economic data in a timely manner supports the Secretary's initiative to enhance the Nation's statistical infrastructure. It is vital that the most meaningful economic measures be promptly available to the business people, policymakers, and ordinary citizens who rely on them to make intelligent decisions. As a High Impact Agency, the Bureau of the Census will improve the timeliness and relevancy of its data by fostering partnerships and implementing internal reinvention.

Census 2000 Data Timeliness and Relevancy
Timeliness Measure: 100% of legally mandated data releases made on schedule

Milestone	Date
Release state population totals for apportionment	12/31/01
Release tabulations for redistricting (P.L. 94-171)	3/31/00

Data Validation and Verification

Data collection:	Data/evaluation release dates will be published in advance
Frequency:	As scheduled
Data storage:	Public data releases and through public (Internet) access to the Bureau's Data Access and Dissemination System
Verification:	By comparison with published schedule(s)

Relevancy Measure (Customer Satisfaction): Independent evaluations

Data Validation and Verification

Target:	Not applicable
Data collection:	Data/evaluation release dates will be published in advance
Frequency:	As scheduled
Data storage:	Public data releases and through public (Internet) access to the Bureau's Data Access and Dissemination System
Verification:	By comparison with published schedule(s)
Comment:	Independent evaluations will provide qualitative input into determining customer satisfaction and relevancy. Evaluations will be carried out by Bureau Directorates independent of the Decennial Census Directorate. Statistical quantitative measures are a key feature of these evaluations. Primarily, these evaluations are used for demographic analysis and form the basis for designing the next Decennial Census. Progress toward incorporating these evaluations can be observed in adherence to the Bureau's evaluation schedule.

ESA: Census and BEA

Provide timely and relevant data (cont.)

- Decennial Census
- Statistical Infrastructure

Economic Census / BEA Data Timeliness and Relevancy

Timeliness Measure: % of scheduled releases issued on time

Year	1997	1998	1999	2000	2001
Target	100%	100%	100%	100%	100%
Actual	100%	100%	TBD	TBD	TBD

Data Validation and Verification

Data collection: Annual schedule of BEA release dates as published each December in the Survey of Current Business and BEA records of actual release dates.

Frequency: Measure will be compiled annually; however, because releases are issued throughout the year, the measure can be evaluated at any time.

Data storage: BEA's Current Business Analysis Division maintains a schedule of next year's release dates and records of actual release dates. Both sets of information are publicly available on BEA's Internet site.

Verification: Records of scheduled and actual release dates are a matter of public record.

Comment: BEA's release schedule, covering about 50 releases in the coming calendar year, is made public each December. It is available in the Survey of Current Business, in BEA releases, on the BEA web site, and by request. In those rare cases where a scheduled release date must be changed, the change is publicly announced as far in advance as possible. For purposes of computing this measure, a release whose date has been changed is considered on time if (1) the new date was publicly announced one month or more in advance of the originally scheduled date, and (2) the actual release meets the new date. While BEA maintains this measure, the Census economic program affects the performance.

Relevancy Measure (Customer Satisfaction): Mean customer satisfaction rating (on scale of 1 to 5)

Year	1997	1998	1999	2000	2001
Target	NA	NA	>4.0	>4.0	>4.0

Data Validation and Verification

Data collection: BEA customer satisfaction survey (under development).

Frequency: TBD

Data storage: Survey will be conducted and results analyzed by BEA. Raw data and all computations leading to final results will be retained by BEA.

Verification: Survey results will be reported by BEA in its annual Customer Satisfaction Report, published in each September issue of the Survey of Current Business.

Comment: BEA is developing a new customer satisfaction survey that it will use in FY 1999. This new survey will use a rating scale of 1 to 5. This survey will ask customers to evaluate such factors as the accessibility, timeliness, quality, usefulness, and pricing of BEA's products and services. BEA is also exploring other means of gathering information on customer satisfaction, such as customer comment cards. Although this is a BEA measure, it is affected by the performance of Census economic programs.

ESA: Census and BEA

Provide timely and relevant data (cont.)

- Decennial Census
- Statistical Infrastructure

Demographic Data Timeliness and Relevancy

Timeliness Measure: Annual reduction from time of data collection to data release for selected household surveys

Year	1998	1999	2000	2001
Survey Income and Program Participation - Core Data				
Target (months)	18	12	8	NA
Survey of Program Dynamics				
Target (months)	18	15	12	NA

Data Validation and Verification

Target: Expect 5% minimum annual improvement; up to 33% per above chart in recent years

Data collection: Data collection dates are published in advance. These set the baseline for release dates

Frequency: As scheduled

Data storage: Census Bureau databases and public data releases

Verification: By comparison with past release dates. Official responses to customers will verify customer satisfaction.

Comment: Many long-standing household surveys have reached optimal release times, e.g., the monthly Current Population and Housing Vacancy Surveys. This measure addresses newer surveys and survey supplements, such as the Survey Income and Program Participation and the Survey of Program Dynamics.

General, Non-Quantitative Relevancy Measure (Customer Satisfaction): Qualitative feedback and evaluation

Data Validation and Verification

Data collection: Data collection dates are published in advance. These set the baseline for release dates.

Frequency: As scheduled

Data storage: Census Bureau databases and public data releases

Verification: By comparison with past release dates.

Comment: Regular interactions with customers are the primary source for information on relevancy and customer satisfaction. Feedback and evaluation comes from Congress, and other federal agencies who legislate or plan and implement programs. Our customers in most cases are also our cooperative partners in the statistical, and demographic analysis professions. The measure of our customer success lies in the open, regular, professional and often daily interactions - a circumstance not quantifiable in a meaningful way. However, this constant interaction leads to a continuous evaluation process built into our operations.

ESA: Census and BEA

Provide timely and relevant data (cont.)

- **Decennial Census**
- **Statistical Infrastructure**

Means and Strategies (Address both timeliness and relevancy)

Strategy or Rationale	Means or Activity	Output Indicator
Census 2000 Data Timeliness and Relevancy		
Build partnerships at every stage of the process	• Develop partnerships with: - state, local, and tribal governments to correct address lists, publicize the census, alert us to problems - Community groups to communicate with their constituents • Use private sector partnerships for major census processes	Successful implementation of these strategies will be evident by adherence to the following calendar year 2000 key milestones for Census 2000: • Reach budgeted mail response rate (67%) by 4/27/00 • Reach non-response follow-up of 90% for all census tracts by 6/8/00 • Complete ICM procedures by 11/22/00
Simplify the means to respond to the census and use technology intelligently to ensure high initial response rate	• Develop user friendly, simplified questionnaires • Develop multiple ways to respond and to get assistance • Digital "capture" of forms for reading handwriting and faster processing • Sophisticated "matching" software for quality control • Contract to world class companies for advertising and promotion, data capture and facilities management • Use private sector partnerships for major census processes	
Economic Census/BEA Data Timeliness and Relevancy (Customer satisfaction and cooperation)		
Economic Census: Data Collection	•Implement a small company Ombudsman as a single point of contact for small companies	# of small companies served by ombudsman
Focus on assisting small business	•Establish partnerships with business groups	# of new partnerships with business groups
Reduce respondent burden	• Establish a Large Company Reporting unit and establish electronic links with companies	# of company visits to gather and share information
Increase "digital" data collection	• Expand electronic reporting; e.g. data collection on diskette, internet formats, new software tools	# of companies filing electronically
BEA: Statistical Measures		
Reduce respondent burden	• Develop electronic filing of BEA's surveys of direct investment and international services	# of survey responses received electronically
Increase efficiency of data transfers	• Develop standardized data transfer and on-line interactive editing and processing systems for source data across national, regional, and international programs	# of critical processing systems re-engineered
ESA: Data Dissemination		
Increase customer accessibility (with BEA)	• Deliver data products to a wide range of customers through Internet and other electronic gateways, such as STAT-USA	• # of downloads • # of customer subscriptions
Provide information on economic events and the workings of the economy	• Provide information, analyses, and guidance on pending economic policy decisions • Use STAT-USA as a focal point for business, economic, and trade data dissemination	• # of studies and analyses • # of subscriptions to STAT-USA/Internet -- 1998 Actual = 4161, 1999 Estimate = 5161, 2000 Estimate = 6161 • 15% reduction in posting delay of time-sensitive economic news • improvement in customer satisfaction
Demographic Data Timeliness and Relevancy		
Improve data accessibility	Provide data in easily accessible forms, focusing on the internet for immediate user access	• # of internet hits • Increased amount of data available on-line
Increase value to respondents	Distribute "give-back" information brochures about local communities	# of surveys which use informational and promotional materials to enhance respondent understanding and cooperation

ESA: Census and BEA

Provide timely and relevant data (cont.)

- **Decennial Census**
- **Statistical Infrastructure**

Crosscutting Activities

- *Economic and Export Agencies:* STAT-USA originates few of the many thousands of files in its information base. Rather, it obtains files from major economic agencies in the government (BEA, Census, BLS, and the Federal Reserve) and agencies providing export information (Census, ITA, State Department, and others). STAT-USA also provides information technology (IT) solutions to other Commerce agencies to help them meet their IT needs
- *The Bureau of the Census and the Bureau of Labor Statistics (BLS):* Scheduling of BEA's releases is based on the availability of source data provided by other agencies, including the Bureau of the Census and BLS.
- The Bureau of the Census participates in numerous non-statistical federal agency activities such as being a data supplier, a survey collection resource, and an advisory and research resource.

External Factors

- The Congress has required the Bureau of the Census to develop an alternative to the sampling methodology for Census 2000. Implementation of the non-sampling alternative, or additional Congressional content and procedural directives, including funding or timing restrictions, may adversely affect the operation schedule of the Census and the Bureau's ability to meet timeliness targets.
- This APP was developed before the recent Supreme Court ruling and assumes the use of sampling in the 2000 Census. Under that assumption, we are requesting a total Decennial budget of $2.8 billion, a $1.78 billion increase above FY 1999, for census implementation and associated audits. The Census Bureau will develop a plan in light of the Supreme Court ruling and estimates of any associated costs. This plan will include the use of statistical methods, as appropriate, to provide the most accurate census data possible.
- Getting businesses to respond electronically to improve timeliness depends on their voluntary cooperation and technological capabilities.
- The ability of BEA to meet its news release schedule could be affected by events beyond its control. Any releases delayed because of such extreme conditions would be excluded from the performance measure.
- The ability of BEA to conduct a customer satisfaction survey depends on funding availability, OMB approval of the survey, and customer cooperation in voluntarily responding. Failure to conduct the survey would greatly limit BEA's means of documenting its success in serving its customers.

Resource Requirements

$3.3 billion ($3.1 billion discretionary; $10 million mandatory; $185 million working capital fund)

64,208 FTEs
Skills: Statistics, Computers, HR/ Financial/Facilities/Clerical, Data Processing

IT Requirements: $362 million for mission-critical infrastructure and architecture

International Trade Administration

- **Statistical Infrastructure**
- **Broadening Trade**

Enabling Legislation

The International Trade Administration's (ITA's) export promotion authority has six principal bases: "Organic" authority enacted in 1903, Reorganization Plan No. 3 of 1979, the Export Administration Amendments Act of 1985, the Omnibus Trade and Competitiveness Act of 1988, the Export Enhancement Act of 1992, and the Jobs Through Trade Expansion Act of 1994.

ITA's trade law enforcement authority has the following principal bases. The Anti-Dumping and Countervailing Duty (AD/CVD) program is authorized by the Tariff Act of 1930, as amended. The Foreign Trade Zones (FTZ) program is authorized by the Foreign Trade Zones Act of 1934. The Insular Watch Assembly program is authorized by P.L. 97-446, as amended. The Florence Agreement program is authorized by the Educational, Scientific, and Cultural Materials Importation Act.

Bureau Context

ITA's mission is to help U.S. companies sell products and services abroad in support of U.S. jobs at home.

During this decade, exports have accounted for almost one-third of real U.S. economic growth. They are expected to continue to grow faster than overall economic activity for the remainder of the decade. A prosperous economic future will be even more dependent on the ability of American firms to compete in world markets.

Exports support over 11 million U.S. jobs, including one in five manufacturing jobs, and have been responsible for nearly two million new jobs in the past four years alone. In recent years, export-related jobs have grown approximately six times faster than total employment, and are paying wages that are on average 15 percent higher than the average U.S. wage.

On a cautionary note, American's demand for imports is strong as U.S. firms globalize their production, and in addition, foreign producers find the U.S. market very attractive. Thus, progress in lowering the trade deficit will require an export growth rate above historical levels.

High-Impact Agency: In his August 7, 1998 memorandum, "Taking Stock of Progress Toward Year 2000 High-Impact Agency (HIA) Goals," Vice President Gore designated an ITA program unit, the U.S. and Foreign Commercial Service (US&FCS), a High Impact Agency. The priorities and initiatives and ITA's GPRA Annual Performance Plan goals are compatible with the HIA Goals assigned to US&FCS.

Priorities and Initiatives

Broadening Trade – Increase emphasis on key emerging markets in Africa and Latin America. Expand US&FCS in the Asia-Pacific Region, conduct a new commercial initiative in the Caspian Region, and enhance the USEAC Network. Implement aggressive trade compliance programs in Market Access and Compliance (MAC) and Import Administration (IA). Implement a Standards Attaches program.

Statistical Infrastructure - Together with Census, ITA will develop additional detailed trade data at the state and local level and for the Services sector.

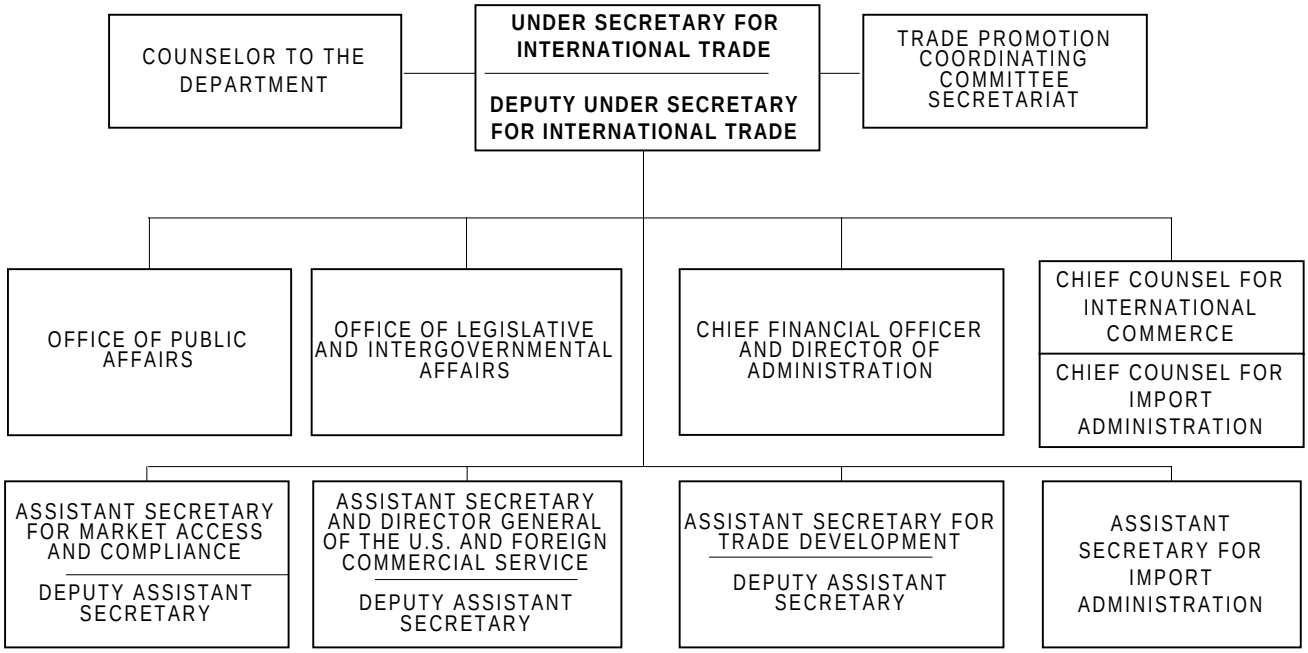
Digital Department - Introduce an ITA-wide electronic commerce initiative. Establish an automated tariff quick-service program.

Clean Financial Audits - Develop personal property inventory and accountability systems.

International Trade Administration

- **Statistical Infrastructure**
- **Broadening Trade**

Organizational Structure



Measures and Targets Summary

Measure	Target
Goal: Enforce U.S. trade laws and agreements to promote free and fair trade	
Dollar Value of Market Openings	38% increase over FY 1999
Goal: Increase the number of small business exporters	
New-to-Export Firms	3% increase over FY 1999
Goal: Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating Committee (TPCC)	
New-to-Market Firms	3% increase over FY 1999
Counseling Sessions	1% increase over FY 1999
Goal: Strengthen and institutionalize ITA's trade promotion and trade advocacy efforts	
Dollar Value of Gross Exports Supported	5% increase over FY 1999

Resource Requirements Summary

$305.4 Million

2,383 FTEs

Skills: In-depth knowledge of international and domestic trade laws and regulations, in addition to country/industry-sector expertise; specialized knowledge of and experience in export marketing and promotion, foreign trade practices, and foreign government trade programs and policies.

IT Requirements: $19.1 Million for IT Infrastructure and related mission systems

International Trade Administration

Enforce U.S. trade laws and agreements to promote free and fair trade

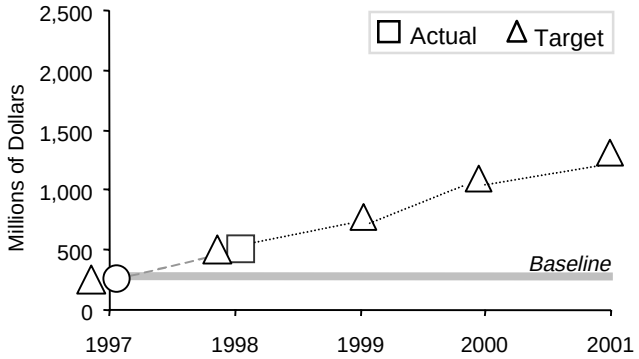
- **Statistical Infrastructure**
- **Broadening Trade**

Rationale for/Comments on Performance Goal:

This goal supports the *Broadening Trade* initiative as follows:

- ITA's Import Administration (IA) unit impartially enforces U.S. antidumping and countervailing duty (AD/CVD) laws to ensure that American businesses and workers face a level playing field in the domestic market versus foreign competitors.
- IA's Subsidy Enforcement Office coordinates the Administration's subsidies enforcement efforts to ensure that U.S. exporters are not harmed by subsidized foreign competition.
- ITA's Market Access and Compliance (MAC) unit identifies existing and potential market access problems. MAC also initiates U.S. government action to overcome market access obstacles within different countries and regions.
- A key element in these efforts is ITA's Trade Compliance Center (TCC) , which monitors foreign compliance with over 250 trade agreements the U.S. has in force.

Measure: Value of market openings



This measure reflects the dollar value of opening world markets to U.S. exports by reducing and eliminating barriers to trade. Companies experiencing difficulty in accessing a foreign market engage MAC's help to gain entry. The Trade Compliance Center (TCC) works in conjunction with MAC's regional units in solving compliance problems.

Data Validation and Verification

Target:	$1.1 Billion (FY 2000)
Source:	Companies benefiting from market access sessions
Frequency:	Annually, by fiscal year
Data storage:	TCC will store and publish data
Verification:	Market access officers working on each case provide information from the company on the nature of the access problem, estimated project value, status reports on the case and outcome. The data is then compiled and added to a MAC-wide compliance database maintained by the TCC. ITA plans to improve its data verification processes through the use of a private sector consultant.

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Means and Strategies

- MAC's region and country specialists aid companies in getting the fully benefit of agreements that other countries have signed with the United States. The Trade Compliance Center (TCC) works in conjunction with MAC's regional units, other parts of Commerce, and U.S. embassies overseas in solving compliance problems and actively searching for violations covered by international trade agreements that the U.S. has signed.

International Trade Administration

Enforce U.S. trade laws and agreements to promote free and fair trade (cont.)

- **Statistical Infrastructure**
- **Broadening Trade**

- IA improves American competitiveness through effective administrative of U.S. trade laws and agreements negotiated to address sector-specific trade distorting practices. IA's objective is to conduct antidumping and countervailing duty investigations, administrative reviews, and sunset reviews within statutory time limits; negotiate and administer suspension agreements; and manage and support the Foreign Trade Zones Program and certain other special import programs. In addition, IA is responsible for subsidies enforcement activities such as International Monetary Fund (IMF) criteria monitoring, World Trade Organization (WTO) cases, and monitoring foreign countries' subsidy activities.

Crosscutting Activities

- *U.S. Trade Representative (USTR):* ITA works with the USTR to develop strategies for solving market access disputes. IA works closely with U.S. industry to analyze potential subsidy practices that might violate the subsidies agreement of the Uruguay Round Agreement Act of 1994 (URAA) and cause harm to U.S. industry. Based upon this analysis, IA will prepare a recommendation that USTR take action before the World Trade Organization (WTO). IA and the USTR issue a joint annual report to Congress on both agencies' subsidies enforcement activities.
- *International Trade Commission:* In an antidumping (AD) or countervailing duty (CVD) case, IA conducts the investigation and ITC concurrently conducts the industry injury investigation. If both IA's and ITC's investigations result in affirmative determinations, then IA issues an AD/CVD order to the U.S. Customs Service which results in a tariff rate adjustment.
- *U.S. Customs Service:* Because the AD/CVD law requires collection of offsetting duties at the time merchandise enters the country, IA communicates regularly with Customs to ensure the prompt and accurate implementation of IA's decisions. Customs then collects cash deposits and final duty assessments. IA responds to inquires from Customs' headquarters and port offices regarding the scope and potential evasion of AD/CVD orders, as well as other enforcement concerns.
- *Department of Treasury:* IA works closely with Treasury to monitor subsidy-related commitments contained in the IMF stabilization packages.
- *Department of State:* In AD/CVD proceedings, IA verifies information provided by foreign governments and companies in those countries. IA works closely with the Department of State to obtain country clearances, arrange meetings, and make necessary trip arrangements. In addition, IA works with State to obtain pertinent information on subsidy enforcement issues.
- *Department of Justice:* IA, in conjunction with the Office of the General Counsel, works with Justice's attorneys on pending AD/CVD litigation before the Court of International Trade and the Court of Appeals for the Federal Circuit.

External Factors

- Macroeconomic factors such as the Asian financial crisis influence yearly quantitative targets. ITA increases its trade promotion activities in an effort to counter the effects of global macroeconomic trends that may lower U.S. exports.

Resource Requirements

$59.6 Million

567 FTEs
Skills: In-depth knowledge of international and domestic trade laws/regulations in addition to country/industry-sector expertise

IT Requirements: $4.2 Million for IT infrastructure and related mission systems

International Trade Administration

Increase the number of Small Business Exporters

- **Statistical Infrastructure**
- **Broadening Trade**

Rationale for/Comments on Performance Goal:

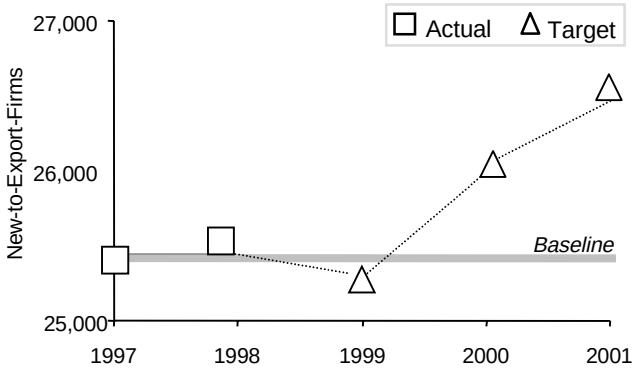
The U.S. and Foreign Commercial Service (US&FCS), which contributes to the achievement of this goal, has been designated a "High-Impact Agency" (HIA) by Vice President Gore. The HIA goals developed for US&FCS directly support this Annual Performance Plan (APP) goal.

This goal supports the *Broadening Trade* initiative as follows:

- During FY 1997, the Trade Information Center (TIC) handled nearly 241,000 inquiries, 90 percent of which were from Small and Medium Sized Enterprises (SMEs)
- ITA will implement the recommendations of it review of the U.S. Export Assistance Center Network, and develop a comprehensive strategy to increase counseling sessions and trade events

This goal also supports the *Digital Department* initiative through its efforts to expand access by small businesses to trade opportunities, via the Internet.

Measure: Number of New-to-Export Firms (NTEs)



US&FCS' collection of data to measure its programs is wholly dependent on a client's willingness to provide such information. Also, because actual exports occur subsequent to the delivery of US&FCS services (frequently 12 to 18 months later), it is usually impossible to report on export actions supported by US&FCS counseling services during the same period in which the services were delivered. Additionally, it is extremely difficult to track the actual dollar value of exports supported by US&FCS services because businesses are reluctant to reveal their business proprietary information to the federal government or to have their success stories published for competitors to read.

Data Validation and Verification

Target:	26,089 (FY 2000)
Source:	US&FCS' Client Management System (CMS) and the Office of Trade Event Management (OTEM)
Frequency:	Statistics harvested and reported quarterly and annually
Data storage:	US&FCS' custom-designed Client Management System software operating on a Lotus Notes platform and OTEM. Consolidated figures collected and stored by US&FCS Office of Planning.
Verification:	Client contacts and office activity are recorded and entered into CMS and OTEM upon occurrence. Each office compiles a quarterly Export Action Report, which details numbers of NTE and NTM export actions, client counseling sessions (both in-office visits and out of office visits), and other activities. Each office manager reviews, verifies, and signs the reports. ITA plans to improve its data verification processes through the use of a private sector consultant.

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Because of this difficulty in reliably measuring outcome performance, US&FCS instead tracks numbers of firms new to the export market as circumstantial evidence of overall export growth and export-fueled job creation. In FY 1998, NTEs comprised 17 percent of our clients, but less than five percent of our success stories/export actions.

International Trade Administration

Increase the number of Small Business Exporters (cont.)

- **Statistical Infrastructure**
- **Broadening Trade**

Means and Strategies

- ITA will seek to use the technology of electronic commerce to help small businesses use the Internet both to receive our services and to promote their own products abroad. We will also work in coordination with other TPCC agencies to define more efficient means of providing export assistance and financing to small businesses.

Crosscutting Activities

- *National Institute of Standards and Technology (NIST)*: Coordinate our efforts to help Small Business Exporters (SBEs) export new technology; execute a cooperative agreement to provide Standards attaches.
- *Small Business Administration (SBA)*: Share clients to provide complementary counseling services
- *Ex-Im Bank*: Share clients and provide complementary counseling services
- *State/Local Government Agencies*: Share clients and proved complementary counseling services
- *Local Chambers of Commerce*: Share clients and provide complementary counseling services
- *Department of Energy* : DOE provides industry expertise for US&FCS trade events
- *Department of Defense/USAF*: The Air Force Provides industry expertise for US&FCS trade events involving aircraft sales (e.g., the Paris Air Show)
- *Department of Transportation*: DOT provides industry expertise for US&FCS trade events
- *Department of Education*: Education provides industry expertise for US&FCS trade events
- *Department of State*: State's Economic Officers assist with market research projects in countries where US&FCS does not maintain staff
- *Department of Agriculture (USDA)*: USDA provides grant assistance for US&FCS export counseling in rural areas
- *USAID*: Provides grant assistance for various overseas projects (e.g., American Business Centers in Russia)

External Factors

- ITA's success in achieving this goal is dependent upon domestic and international economic conditions. A weak domestic economy or a weak dollar abroad tends to make overseas markets more financially attractive to U.S. firms. Conversely, a strong dollar or a weak overseas economy can cause export-ready firms to delay their exporting efforts. US&FCS trade specialists use their expertise to help SMEs develop trade strategies that take into account adverse economic conditions.
- Tracking numbers of new small business exporters is dependent on clients' provision of this information. Trade specialists communicate to their clients the relationship between US&FCS' ability to provide services to clients (especially business facilitation services with no charge) and US&FCS' ability to demonstrate measurable results. While trade specialists in the field urge firms to provide this data, there is no obligation on the part of the firm to do so.

Resource Requirements

$133.2 Million

968 FTEs
Skills: In-depth knowledge of export marketing and promotion, foreign trade practices, and foreign government trade programs and polices

IT Requirements: $8.0 Million for IT infrastructure and related mission systems

International Trade Administration

Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating Committee

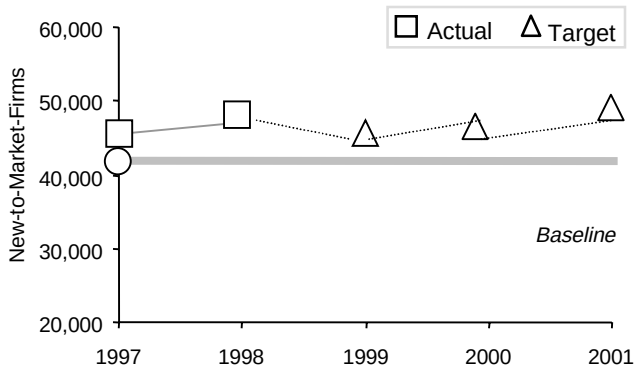
- **Statistical Infrastructure**
- **Broadening Trade**

Rationale for/Comments on Performance Goal:

High-Impact Agency (HIA): The U.S. and Foreign Commercial Service (US&FCS), which contributes to the achievement of this goal, and has been designated a "High-Impact Agency" by Vice President Gore. The HIA goals developed for US&FCS directly support this APP goal.

This goal supports the *Broadening Trade* initiative by having ITA as the lead agency in the Trade Promotion Coordinating Committee (TPCC). The TPCC is comprised of 20 federal agencies, working together to implement the President's mandate to "Streamline, simplify, and better focus U.S. trade and export promotion programs."

Measure: Number of New-to-Market Firms (NTMs)



US&FCS' collection of data to measure its programs is wholly dependent on a client's willingness to provide such information. Also, because actual exports occur subsequent to the delivery of US&FCS services (frequently 12 to 18 months later), it is usually impossible to report on export actions supported by US&FCS counseling services during the same period in which the services were delivered. Additionally, it is extremely difficult to track the actual dollar value of exports supported by US&FCS services because businesses are reluctant to reveal their proprietary information to the federal government as well as to have their success stories published for competitors to read.

Because of these difficulties in reliably measuring outcome performance, US&FCS instead tracks numbers of NTMs as circumstantial evidence of overall export growth and job creation. In FY 1998, although NTMs firms comprise only 40 percent of our U.S. clients, these firms account for approximately 50 percent of our subsequently reported success stories/export actions.

Data Validation and Verification

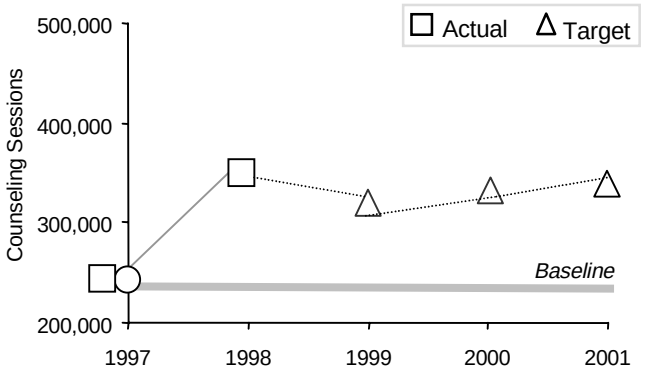
Target:	47,437 (FY 2000)
Source:	US&FCS' Client Management System (CMS) and the Office of Trade Event Management (OTEM)
Frequency:	Statistics harvested and reported quarterly and annually
Data storage:	US&FCS' custom-designed Client Management System software operating on a Lotus Notes platform and OTEM. Consolidated figures collected and stored by US&FCS' Office of Planning.
Verification:	Client contacts and office activity are recorded and entered into CMS and OTEM upon occurrence. Each office compiles a quarterly Export Action Report, which details numbers of NTE and NTM export actions, client counseling sessions (both in-office visits and out-of-office visits), and other activities. Each office manager reviews, verifies, and signs the reports.

International Trade Administration

Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating Committee (cont.)

- **Statistical Infrastructure**
- **Broadening Trade**

Measure: Number of counseling sessions



Of the five ITA performance measures in the FY 2000 Annual Performance Plan, four are outcome measures, and one is an output measure, i.e., "number of counseling sessions." ITA selected this output measure because of the substantial number of staff years it devotes to this activity; specifically, in FY 1997, ITA conducted 295,164 counseling sessions.

Data Validation and Verification

Target:	309,922 (FY 2000)
Source:	US&FCS' Client Management System (CMS)
Frequency:	Statistics harvested and reported quarterly and annually
Data storage:	US&FCS' custom-designed Client Management System software operating on a Lotus Notes platform and OTEM. Consolidated figures collected and stored by US&FCS' Office of Planning.
Verification:	Client contacts and office activity are recorded and entered into CMS and OTEM upon occurrence. Each office compiles a quarterly Export Action Report, which details numbers of NTE and NTM export actions, client counseling sessions (both in-office visits and out of office visits), and other activities. Each office manager reviews, verifies, and signs the reports. ITA plans to improve its data verification processes through the use of a private-sector consultant.

International Trade Administration

Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating Committee (cont.)

- **Statistical Infrastructure**
- **Broadening Trade**

Means and Strategies

- ITA plans to strengthen the role of the Trade Promotion Coordinating Committee (TPCC). Our goal is to provide a "seamless web" of government services: from technical assistance, to advocacy, to trade finance, to help for small business. This web will support our exporters at every phase of the contract and transaction process. We will develop a government-wide commercial strategy to address the Asian financial crisis, and also launch, within the TPCC, a comprehensive promotional strategy for dealing with the growing trade deficit with China.

Crosscutting Activities

- *National Institute of Standards and Technology (NIST):* Coordinate our efforts to help SMEs export new technology; execute a cooperative agreement to provide Standards attaches.
- *Small Business Administration (SBA):* Share clients to provide complementary counseling services
- *Ex-Im Bank:* Share clients and provide complementary counseling services
- *State/Local Government Agencies:* Share clients and proved complementary counseling services
- *Local Chambers of Commerce:* Share clients and provide complementary counseling services
- *Department of Energy :* DOE provides industry expertise for US&FCS trade events
- *Department of Defense/USAF:* The Air Force Provides industry expertise for US&FCS trade events involving aircraft sales (e.g., the Paris Air Show)
- *Department of Transportation:* DOT Provides industry expertise for US&FCS trade events
- *Department of Education:* Education provides industry expertise for US&FCS trade events
- *Department of State:* State's Economic Officers assist with market research projects in countries where US&FCS does not maintain staff
- *Department of Agriculture (USDA):* USDA provides grant assistance for US&FCS export counseling in rural areas
- *USAID:* Provides grant assistance for various overseas projects (e.g., American Business Centers in Russia)

External Factors

- Growth in the number of U.S. firms that export is closely tied to domestic and international economic conditions. A strong dollar or a weak overseas economy can cause export-ready firms to delay their exporting efforts. US&FCS trade specialists use their expertise to help firms develop trade strategies that take into account adverse economic conditions.

Resource Requirements

$55.7 Million

419 FTEs
Skills: In-depth knowledge of export marketing and promotion, foreign trade practices, and foreign government trade programs and policies

IT Requirements: $3.4 Million for IT infrastructure and related mission systems

International Trade Administration

Strengthen and institutionalize our trade promotion and advocacy efforts

- **Statistical Infrastructure**
- **Broadening Trade**

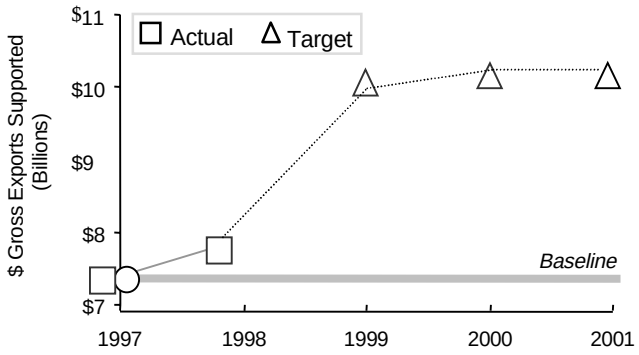
Rationale for/Comments on Performance Goal:

High-Impact Agency (HIA): The U.S. and Foreign Commercial Service (US&FCS), which contributes to the achievement of this goal, has been designated a "High-Impact Agency" by Vice President Gore.

This goal supports the *Broadening Trade* initiative. In less than four years, ITA's Advocacy Center has helped over 2,000 U.S. companies win contracts worth potentially over $50 billion in U.S. exports over the life of the contracts.

This goal also supports the *Digital Department* initiative through its efforts to use the technology of electronic commerce to help firms use the Internet both to receive ITA's services and to promote their own products abroad.

Measure: Dollar value of gross exports supported through advocacy efforts



In continuing efforts to improve the quality of the services provided by the Advocacy Center, Advocacy Center staff contacted 18 companies in late January 1998, with a request for feedback on claimed FY 97 successes in 23 separate competitions in which the USG provided advocacy. The Advocacy Center asked a series of questions regarding the current status of each project, material changes with respect to total project value, U.S. export content, and satisfaction with Advocacy Center or U.S. Embassy/Consulate services. This annual process is labor intensive for the Advocacy Center. By comparison, the Trade and Development Agency (TDA) follows up on similar issues using outside contractors.

Data Validation and Verification

Target:	$10.5 Billion (FY 2000)
Source:	Companies that benefited from USG advocacy
Frequency:	Annually (fiscal year)
Data storage:	Advocacy Center will store and publish data.
Verification:	Advocacy Center conducts yearly surveys of companies on claimed successes in separate competitions in which the USG provided advocacy. Questionnaire requests information on the current status of each project, material changes with respect to total project value, U.S. export content, and satisfaction with the Advocacy Center and/or U.S. Embassy/ Consulate services provided. ITA plans to improve its data verification processes through the use of a private-sector consultant.

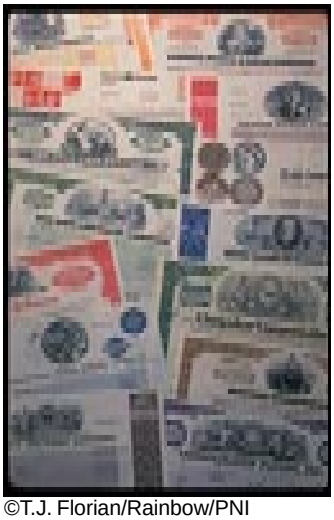
Means and Strategies

- Through the Advocacy Center, ITA leads the government-wide effort to develop and implement interagency strategies to help U.S. firms win bids for projects and commercial transactions in foreign markets. In terms of trade promotion efforts ITA will work to help firms export by enhancing our field resources, electronic links, and through new product lines. ITA will also work to enhance the quality, utility, and availability of annual trade statistics broken down by state and metropolitan area.

International Trade Administration

Strengthen and institutionalize our trade promotion and advocacy efforts (cont.)

- **Statistical Infrastructure**
- **Broadening Trade**



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Crosscutting Activities

- *Trade Promotion Coordinating Committee (TPCC) Agencies*: Coordinate advocacy strategies and responses
- *Offices of the President and Vice President:* Work with these executive offices to coordinate advocacy strategies and responses

External Factors

- The overall strength of the global economy (i.e., the Asia financial crisis) influences the Advocacy Center's fiscal year numbers. To counter the effects of global macroeconomic trends that may lower U.S. exports, the Advocacy Center will increase efforts to promote U.S. companies' bids in regions with higher export potential.

Resource Requirements

$56.9 Million

429 FTEs
Skills: Ability to interact with high-level business, USG, and foreign government officials as an official representative of the U.S. Government

IT Requirements: $3.5 Million for IT infrastructure and related mission systems

Bureau of Export Administration

- **Broadening Trade**
- **Critical Infrastructure**

Enabling Legislation

The Bureau of Export Administration (BXA) was established as a separate agency within the Department of Commerce on October 1, 1987, and draws its authority from the Export Administration Act of 1979, as amended, and related statutes. BXA licenses commodities and enforces export control laws and regulations mandated by Congress or through Executive Orders.

Bureau Context

BXA is a regulatory agency that promotes U.S. national and economic security, public safety, and foreign policy interests by managing and enforcing the Department's security-related trade and competitiveness programs. **BXA plays a key role in meeting challenges that involve national security and nonproliferation of export control issues.** The bureau's continuing major challenge is combating the proliferation of weapons of mass destruction while furthering the growth of U.S. exports, which is critical to maintaining our leadership in an increasingly competitive global economy.

The bureau is particularly vigilant in evaluating transactions involving advanced technologies as well as products subject to diversion to chemical, biological, nuclear and missile weapons programs. Recent mandates include: controlling exports of encryption products, overseeing Chemical Weapons Conversion (CWC) compliance, enforcing industrial fastener quality legislation, and protecting critical infrastructures in the United States.

With increased concern about the proliferation of weapons of mass destruction, BXA has brought U.S. export controls in line with the new international political environment by reforming the dual-use export control system. At the same time, BXA seeks to enhance its export regulatory effectiveness by educating stakeholders in the export licensing process, thereby strengthening compliance by industry and furthering international export control efforts. Combined, these two efforts will result in a streamlined dual-use commodity control list, and an improved license application cycle for controlled items without compromising our national security and public safety interests. These efficiencies will allow U.S. exporters to be more competitive in world markets, benefiting both the exporters and the U.S. economy.

BXA serves U.S. businesses engaged in international trade by processing applications to export controlled commodities in accordance with the Export Administration Regulations (EAR). Within this framework, BXA also seeks to control the spread of weapons of mass destruction, maintain a strong U.S. defense industrial base and ensure higher quality manufacturing processes in the U.S.

Priorities and Initiatives

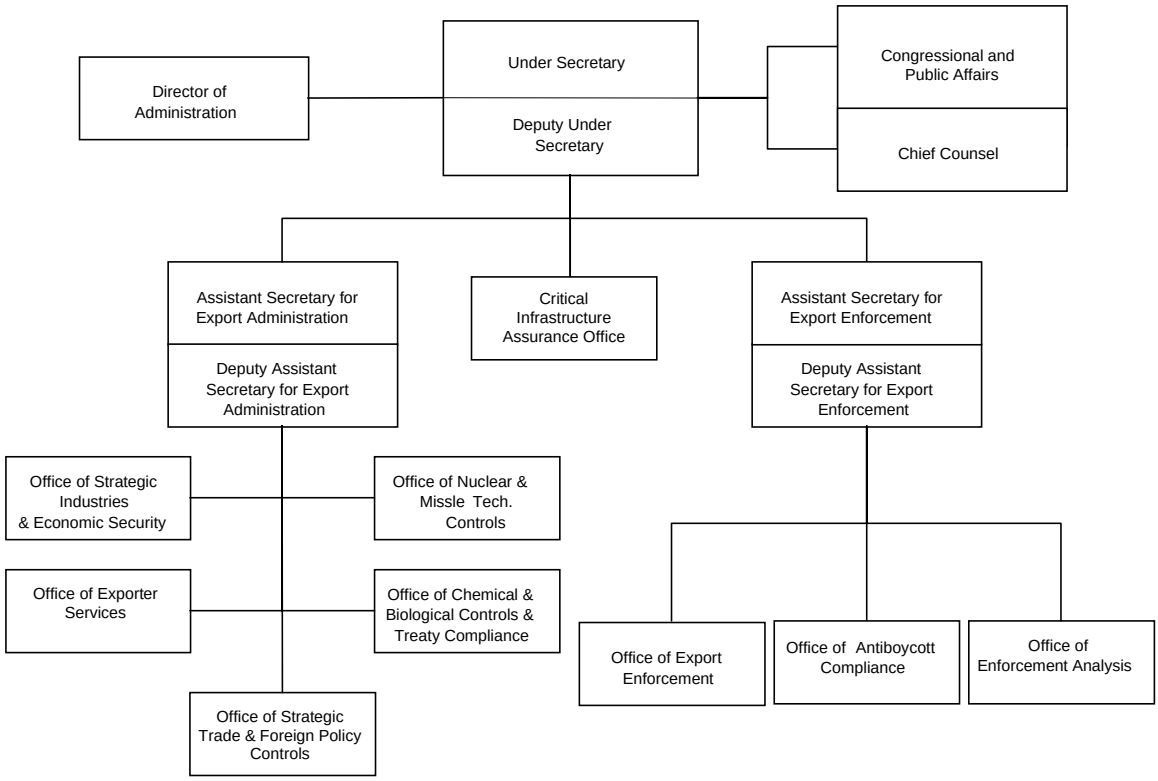
Broadening Trade - BXA continues to support important government-wide actions to remove unnecessary obstacles to exporting, and to strengthen multilateral regimes. BXA also assists small and medium sized businesses to increase their involvement in export markets by helping them understand export control requirements through outreach visits, conferences, and seminars.

Critical Infrastructure Program - Presidential Directive 63 (PDD-63) calls for a national effort to assure the national security of the increasingly vulnerable and interconnected infrastructures of the United States. It stresses the critical importance of cooperation between the government and the private sector by linking designated agencies with private sector representatives. PDD-63 instructs the Department of Commerce to establish the Critical Infrastructure Assurance Office (CIAO).

Bureau of Export Administration

- **Broadening Trade**
- **Critical Infrastructure**

Organizational Structure



BXA serves the U.S. exporting community from its Washington, D.C. headquarters, and 10 field offices in Boston, New York, Chicago, Herndon, Miami, Dallas, San Jose, Santa Clara, Irvine, and Newport Beach.

Bureau of Export Administration

- **Broadening Trade**
- **Critical Infrastructure**

Measures and Targets Summary

Goal: Restructure export controls for the 21st century

Measure	Target
• High risk transactions deterred (#)	508
• Licensing decisions (#)	12,000
• Average processing time for license applications (days)	33
• Export assistance seminars/conferences (#)	204
• Nonproliferation and export control international co-operative exchanges (#)	30

Goal: Maintain a fully effective law enforcement program and protect U.S. national security, foreign policy, nonproliferation of dual-use commodities and chemical weapons, counter-terrorism, and public policy

Measure	Target
• Enforcement outreach visits (#)	900
• Investigations completed (#)	1,300
• Investigations accepted for criminal or administrative remedies (#)	80
• End-use visits conducted (#)	680

Goal: Facilitate transition of defense industries

Measure	Target
• Strategic industry analyses completed (#)	295

*Resource Requirements Summary**

$60.5 Million

477 FTEs
Skills: In-depth knowledge of the Export Administration regulations, related policies, and commodity controlled items, as well as analytical skills

IT Requirements: $6.8 Million/Operations, maintenance and reengineering

*Note: Only the budget and FTE numbers reflect the Critical Infrastructure Assurance Office (CIAO).

Bureau of Export Administration

Restructure export controls for the 21st century

• **Critical Infrastructure**

Rationale for/Comments on Performance Goal:

Streamlining the application processing system and educating the U.S. exporting community about the Export Administration Act (EAA) and the Export Administration Regulations (EAR):

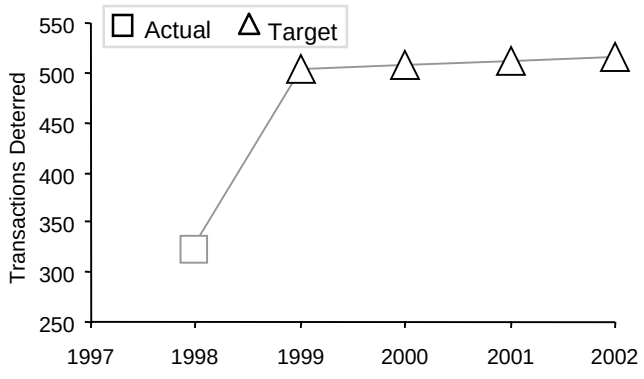
- Results in a more effective control system and helps prevent illegal transactions
- Makes the U.S. exporting community more competitive in the global marketplace, by helping the community meet shipping deadlines and reducing transaction costs

Strengthening foreign national export control systems reduces proliferation of controlled commodities produced locally or being transshipped.

This goal supports the Department's Strategic Theme, "To build for the future and promote U.S. competitiveness in the global marketplace, by strengthening and safeguarding the Nation's economic infrastructure" by:

- Improving the competitiveness of U.S. companies through prompt export licensing decisions
- Ensuring that sensitive technologies are not inappropriately transferred outside the U.S.
- Providing a level playing field internationally through the development of comparable export control systems by other countries

Measure: Number of high risk transactions deterred

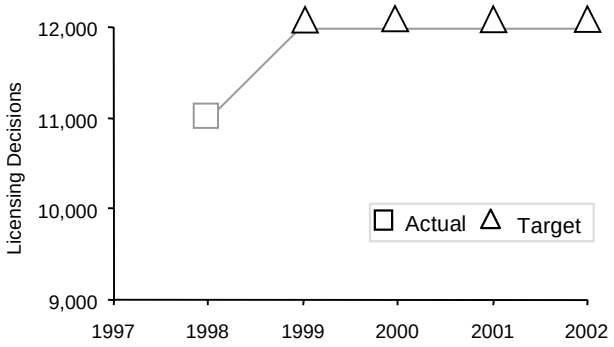


The number of license applications received, analyzed, and subsequently denied by BXA indicates the number of high-risk transactions which BXA reviewed and subsequently denied based upon a careful risk assessment. Beginning in FY 1999, BXA will include in this category those transactions returned without action (RWA) because the applicant was not able to provide sufficient background or technical information to support approval of the license application. U.S. security is enhanced through the judicious implementation of controls on transfers of materials, equipment, technology and software that could be used for weapons applications.

Data Validation and Verification

Target:	508 (FY 2000)
Source:	ECASS (Export Control Automated Support Systems)
Frequency:	Annual
Data storage:	ECASS
Verification:	ECASS contains appropriate systems edits, and measures are audited under the CFO's Act.

Measure: Number of licensing decisions



This measure counts the total number of applications that were either approved, denied, or returned without action (RWA) during the fiscal year. Upon receipt, license applications are reviewed for completeness (front-end review) and entered into the Export Control Automated Support Systems (ECASS), BXA's electronic processing system. If incomplete, additional information is requested from the exporter before proceeding. If complete, the application is screened against an automated list of end-users of concern, forwarded to the appropriate licensing and enforcement specialists for a complete analysis of the application, (i.e., reviewed against available intelligence information, required referrals to other export control agen-

Bureau of Export Administration

Restructure export controls for the 21st century (cont.)

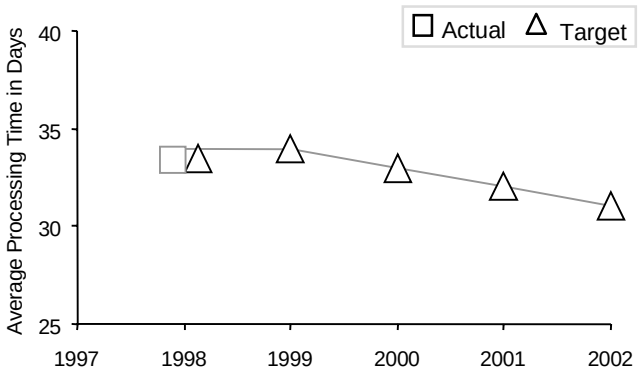
• Critical Infrastructure

cies, and subsequent policy reconsideration/determination.) The number of export licensing decisions is the best measurement for the scope of the dual-use export control system as it relates to trade advanced goods and technology.

Data Validation and Verification

Target:	12,000 (FY 2000)
Source:	ECASS
Frequency:	Annual
Data storage:	All license processing data are stored in the Export Control Automated Support System.
Verification:	ECASS contains appropriate systems edits, and measures are audited under the CFO Act.

Measure: Average processing time for license applications

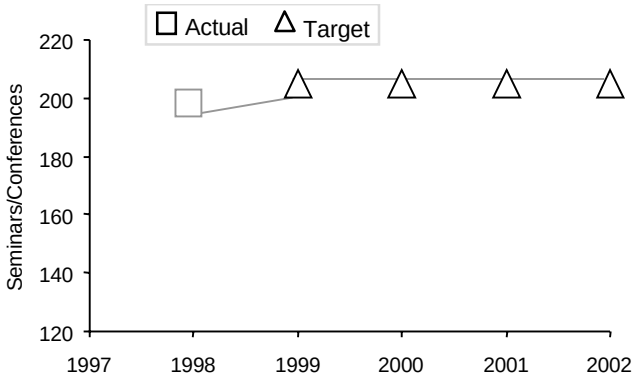


This measure reflects the average number of calendar days that elapsed between receipt and final action for all applications processed during the fiscal year regardless of the date received.

Data Validation and Verification

Target:	33 (FY 2000)
Source:	ECASS (Export Control Automated Support Systems)
Frequency:	Annual
Data storage:	ECASS
Verification:	ECASS contains appropriate systems edits, and measures are audited under the CFO Act.

Measure: Number of export assistance seminars/conferences



The number of training events in which BXA either is a sponsor or participant measures the transfer of knowledge from the government to the private sector about the requirements of export controls. BXA's outreach program to the domestic and international business communities encourages compliance with the Export Administration Regulations (EAR). These seminars heighten businesses' awareness of the Administration's objectives and improve their compliance with the regulatory requirements. In support of another BXA goal (Facilitate Transition of Defense Industries), these seminars also help identify market opportunities for firms in the U.S. defense industrial base, and identify those firms who could benefit from BXA's advocacy and defense industrial base programs.

Data Validation and Verification

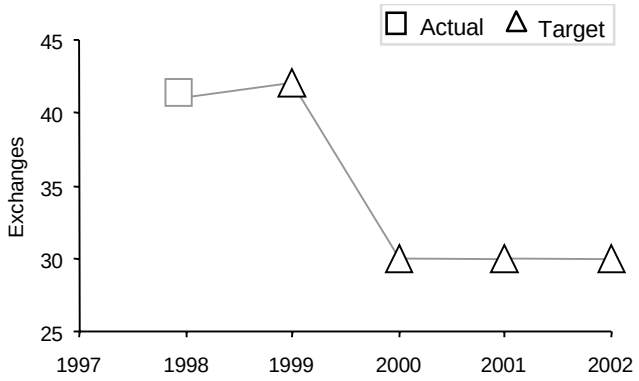
Target:	204 (FY 2000)
Source:	Counts of seminars and conferences from the seminar schedule published each year.
Frequency:	Annual
Data storage:	The Office of Exporter Services collects and stores the data.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

Bureau of Export Administration

Restructure export controls for the 21st century (cont.)

• **Critical Infrastructure**

Measure: Number of nonproliferation and export control international cooperative exchanges



This measure includes technical exchanges, executive exchanges, symposia, fora, workshops, and training courses delivered through Nonproliferation Export Control (NEC) activity, other training courses, assessments, and multilateral and bilateral activities in which NEC has the lead or a primary role. These exchanges are the primary means by which NEC implements its nonproliferation and export control cooperation programs with foreign governments. This measure records the number of exchanges and not the number of countries participating. If one exchange involves multiple countries (e.g., the annual update event) the exchange is still counted as one item.

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An *output* rather than an *outcome* measure is used because NEC activity has a greater ability to affect the output (i.e., the number of technical exchanges) than it has to affect the outcome (i.e., improvements in the export control systems in the foreign countries). The latter is substantially determined by the actions of foreign sovereign governments, which is a factor clearly out of NEC's control.

Data Validation and Verification

Target:	30 (FY 2000)
Source:	NEC activity files, reporting cables, and other files
Frequency:	Annual
Data storage:	NEC collects and stores the data.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

Means and Strategies

- Receipts, reviews, interagency consultations, and decisions on export license applications that are accurate, consistent, and timely, using state-of-the-art information technology.
- Provision of full range of information to the exporting community through publications, seminars, web sites, and individual consultations.
- Development of uniform control lists and licensing practices with like-minded supplier nations.
- Development (through NEC activity) of a model country plan that addresses all five functional areas of effective export control systems (legal and regulatory framework, licensing procedures and control lists, enforcement mechanisms, industry-government relations, and systems administration and automation). This plan has been tailored to the specific needs of each of the 23 participating countries. BXA/NEC carries out these plans by means of :

1) technical exchanges (bilateral or multilateral) for senior- and mid-level export control officials that take place at headquarters or in the field
2) modular training materials prepared and used by specialists in their functional areas and made available in two or more languages
3) automated job tools that foreign officials can use in the execution of their work (e.g., classifying commodities, developing licensing officer principles)

Bureau of Export Administration

Restructure export controls for the 21st century (cont.)

- **Critical Infrastructure**

Crosscutting Activities

- *Departments of State, Defense, Energy, Treasury, Justice and ACDA:* BXA works with these agencies and departments to develop and implement U.S. export control policy and programs, including developing encryption policy, implementing sanctions, and participating in multilateral regimes such as the Missile Technology Control Regime and the Wassenaar Arrangement. BXA also coordinates intelligence and enforcement operations with these agencies.
- *U.S. Customs Service and the Nonproliferation Center:* BXA coordinates export control cooperation technical exchanges and activities with these agencies, in addition to the ones already mentioned.

External Factors

- Changes in world events (e.g., nuclear tests, terrorist activity) requiring new export restrictions
- Developments in technology requiring adjustments to control lists
- New legislative requirements for additional controls or license application review

  All of the above factors can be mitigated through the design of well targeted, appropriate regulations and through the timely education of the public.
- BXA continues to rely on other agencies, most recently the Department of State, to fund the technical exchanges and activities relating to export control cooperation. As implemented, the process is extremely cumbersome and fraught with uncertainty and delay.

  Direct funding for BXA's export control cooperation effort would ameliorate these problems.
- Scheduling of technical exchanges and activities is contingent on the interagency coordination process and the other countries involved.

  Close and frequent contact with other U.S. agencies and patient consultation with foreign control officials minimizes these problems.
- Shifts in U.S. policy (e.g., suspension of activity with Belarus) occasionally prevent performance of scheduled, funded technical exchanges or preclude participation of some invited participants.

Resource Requirements

$26 Million

205 FTEs
Skills: Analytic skills, technical expertise, knowledge of commodity controlled items

IT Requirements: $2.8 Million

Bureau of Export Administration

Maintain a fully effective law enforcement program

- **Broadening Trade**
- **Critical Infrastructure**

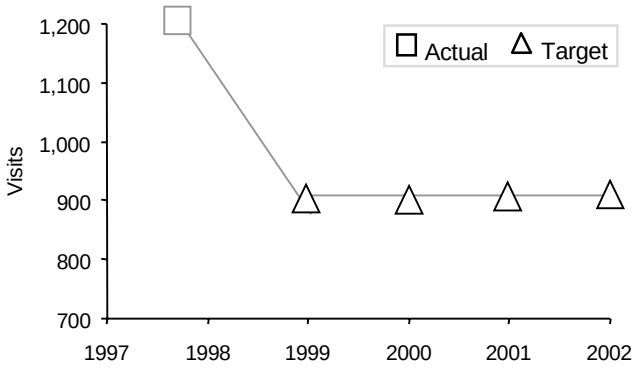
Maintain a fully effective law enforcement program to protect US national security and public safety, uphold US foreign policy, and ensure the nonproliferation of dual-use commodities and chemical weapons

Rationale for/Comments on Performance Goal:

A number of aggressive investigation and verification activities are aimed at deterring export control violations, and imposing criminal or administrative sanctions on violators.

BXA conducts outreach visits and conferences sponsored by trade and business associations and continuing legal education institutions. These outreach efforts support the *Broadening Trade* initiative while protecting important national security and foreign policy interests by helping exporters understand export control regulations.

Measure: Number of enforcement outreach visits



As part of their preventive enforcement mission, BXA special agents visit U.S. firms under "Project Outreach." During each outreach visit, the agents educate the firm about BXA's enforcement program and seek the firm's voluntary cooperation in detecting potential illegal transactions. Antiboycott outreach occurs in the form of presentations to organizations concerning compliance with the antiboycott provisions of the EAA. These outreach efforts focus on conferences sponsored by trade and business associations and continuing legal education institutions.

As a result of new Special Agent hires, EE was able to conduct more than the normal amount of outreach visits during FY 1998.

Data Validation and Verification

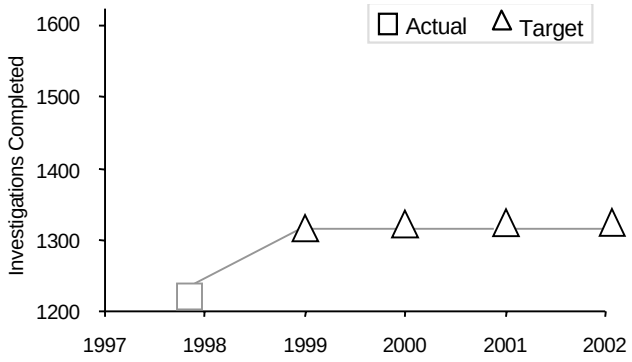
Target:	900 (FY 2000)
Source:	Enforce subsystem of ECASS and paper files; agent monthly activity reports.
Frequency:	Annual
Data storage:	The Office of Export Enforcement collects and stores the data.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

Bureau of Export Administration

Maintain a fully effective law enforcement program (cont.)

- **Broadening Trade**
- **Critical Infrastructure**

Measure: Number of investigations completed



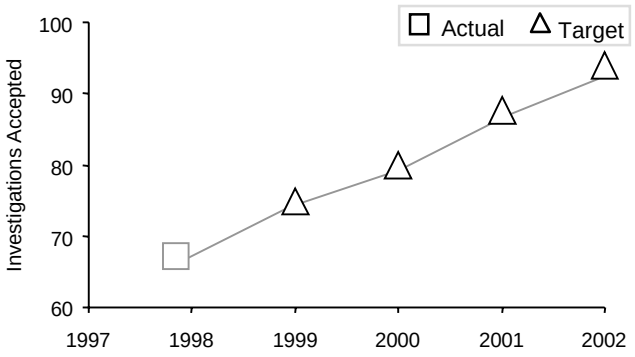
When there is reason to believe that the Export Administration Act (EAA) and the Export Administration Regulations (EAR) have been violated, Office of Export Enforcement (OEE) criminal investigators and Office of Antiboycott Compliance (OAC) compliance officers initiate a formal investigation and open a case file. Investigations result in a criminal or administrative penalty, a warning letter for minor infractions, or closing of the case if no violation is found.

This output measure covers one of the most important features of our law enforcement program, namely, the pursuit of an investigation to a proper conclusion based on the facts and law.

Data Validation and Verification

Target:	1,300 (FY 2000)
Source:	Enforce subsystem of ECASS and case management database
Frequency:	Annual
Data storage:	The Office of Export Enforcement collects and stores the data. Case are also tracked in ECASS.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

Measure: Number of investigations accepted for criminal or administrative remedies



This measure refers to investigations accepted by U.S. Attorney's offices for criminal prosecution and/or Commerce's Office of Chief Counsel for administrative sanctions.

Data Validation and Verification

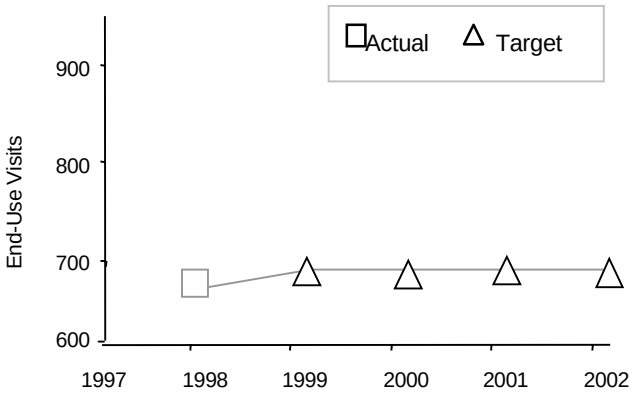
Target:	80 (FY 2000)
Source:	Enforce subsystem of ECASS and case management database
Frequency:	Annual
Data storage:	The Office of Export Enforcement and the Office of Chief Counsel collect and store the data. Case status information is reconciled quarterly.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

Bureau of Export Administration

Maintain a fully effective law enforcement program (cont.)

- **Broadening Trade**
- **Critical Infrastructure**

Measure: Number of end-use visits conducted



Data Validation and Verification

Target:	680 (FY 2000)
Source:	End use visit reports, Enforcement subsystem of ECASS
Frequency:	Annual
Data storage:	The Office of Export Enforcement and the Office of Enforcement Analysis collect and store the data. OEE and US&FCS make and document visits. OEA does data entry into ECASS.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

A key element of EE's mission is conducting on-site visits to foreign end-users of selected goods and technologies exported under the EAR. End-use visits consist of pre-license checks and post-shipment verifications. Pre-license checks are performed prior to issuance of licenses by BXA and are generally done by US&FCS. Post-shipment verifications are done by US&FCS officials, as well as OEE special agents, to ensure that the products are being used by the authorized end-users for the authorized end-uses.

This output measure supports the intermediate goals of:

(1) maintaining an effective law enforcement program, by determining the legitimacy of controlled export transactions
(2) improving public knowledge of and compliance with export regulations, by educating foreign consignees of U.S.-origin items
(3) increasing cooperation with domestic and international law enforcement, export control and policy organizations, by sharing information with EE's law enforcement counterparts located in countries where the visits are conducted

Bureau of Export Administration

Maintain a fully effective law enforcement program (cont.)

- **Broadening Trade**
- **Critical Infrastructure**

Means and Strategies

- Outreach visits to industry enable investigators to obtain tips and leads concerning possible violations, while educating exporters about how to comply with the export control laws and regulations
- Investigations are conducted in a timely and efficient manner to determine whether violations of the law have occurred
- EE presents cases to prosecutors for possible initiation of criminal or administrative enforcement proceedings in order to punish past and deter future violators, thereby insuring that the export control system works effectively
- EE conducts visits overseas to determine the legitimacy of controlled export transactions, educate foreign consignees about U.S. export laws, and share information with foreign export control officials

Crosscutting Activities

- *U.S. Customs Service, FBI, Department of Justice, Department of State, and the Intelligence Community:* BXA works with these agencies on matters involving law enforcement cooperation, development of leads, intelligence coordination, implementation of export control policy, and coordination on issues such as export license investigations and fastener quality

External Factors

- None identified for the measures "Number of outreach visits" or "Number of investigations completed."
- The priorities and resources of the Department of Justice and Commerce's Office of Chief Counsel directly influence the measure "Number of investigations accepted for criminal or administrative remedies."

Targeting investigations effectively, conducting investigative activities professionally, and presenting cases to prosecutors persuasively will help mitigate this factor.

- For the measure "Number of End-Use Visits Conducted," the number of pre-license checks will vary with the annual volume of license applications. The number of post-shipment verifications will vary with the volume of High Performance computers exported to certain countries, where NDAA mandates end-use checks.

Neither factor can be mitigated by EE, because these factors derive from higher-level export control policy decisions.

Resource Requirements

$26.4 Million

212 FTEs
Skills: Investigate and analyze export controls, analyze intelligence information

IT Requirements: $3.0 Million

Bureau of Export Administration

Facilitate transition of defense industries

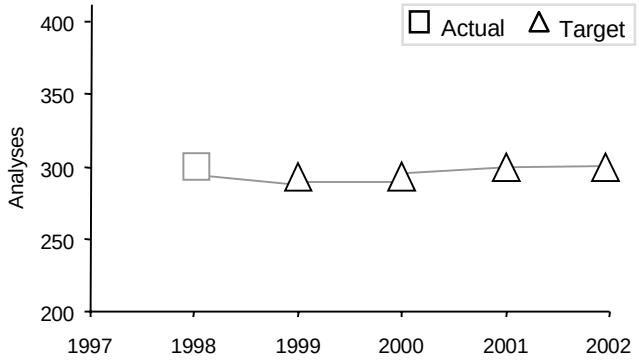
Rationale for/Comments on Performance Goal:

A strong economic/industrial infrastructure is partly dependent upon the ability to transition our defense industries to peace time activities and products, while at the same time maintaining technological superiority to support the next generation of defense systems.

This goal supports two Department Strategic Themes, Economic Infrastructure and Science & Technology, by:

- Ensuring the continued viability of U.S. firms through the development of new commercial avenues for former defense products
- Maintaining the economic viability of high tech industries by providing the research base from which new innovations will appear
- Keeping U.S. defense firms competitive domestically and internationally through the development of new and innovative product lines

Measure: Number of strategic industry analyses completed



Strategic Industry Analyses communicate economic and commercial information to businesses, influencing their marketing or policy decisions. Analyses provided to government decision-makers present data to develop appropriate economic and defense industry policies. These analyses, undertaken by BXA as part of its broad responsibility to support the U.S. defense industrial and technology base, include assessments of the impact of global and domestic economic, trade, regulatory, and budgetary factors on the U.S. economic/industrial base. The analyses also assess the international competitiveness and production capabilities of strategic industries and technologies. Specific categories of analyses are: Defense Memoranda of Understanding impact reviews; Impact of Excess Defense Article assessments; Stockpile Disposal market impact analyses; Industrial Capabilities studies; Impact of Offsets in Defense Trade analyses; and analyses of the Impact of Export Controls/Sanctions.

Data Validation and Verification

Target:	295 (FY 2000)
Source:	The analytical products are written reports which are forwarded to the requester and are available for review and assessment.
Frequency:	Annual
Data storage:	The Office of Strategic Industry and Economic Security collects and stores the data.
Verification:	Under the CFO Act, a private sector audit firm performs an independent verification and validation of the data source and data.

Bureau of Export Administration

Facilitate transition of defense industries (cont.)

Means and Strategies

- Affected industries are surveyed and resulting information is provided to the public at large. Proposed government actions affecting the well being of firms are assessed and the consequences for the companies and economy at large are measured and provided to decision-makers. Macro- and micro-economic research is used to support critical industry analyses and export control assessments.

Crosscutting Activities

- *Department of Energy:* BXA participates in an interagency review of foreign participation in DOE sponsored Research and Development Agreements. DOE is partnered with BXA in promoting the reuse of surplus manufacturing equipment at former U.S. military bases.
- *Departments of Labor, State and Treasury; U.S. Trade Representative (USTR):* Representatives from these departments participate in an interagency group chaired by BXA which prepares the annual report, *Offsets in Defense Trade*, for the U.S. Congress.
- *Department of Defense:* BXA works closely with DOD in providing support for U.S. industry competing for international defense procurement opportunities.
- *Department of State:* BXA participates in the State-chaired Conventional Arms Transfer Committee.
- *U.S. Trade Representative (USTR):* BXA is part of a USTR-led interagency team that is developing and implementing the U.S.- E.U. Transatlantic Economic Partnership.

External Factors

- The biggest external factor affecting the overall volume of strategic industry analyses completed is the environment for international defense trade and cooperation. Domestic and international economic conditions affecting the health of U.S. strategic industries influence the need for strategic industry analyses.
- Unanticipated global events may also affect such analyses by shifting the commodities and destinations subject to export controls, thereby requiring new industry analyses.

  These factors can be mitigated by targeting analyses to the most critical industrial sectors and by working with other like-minded supplier nations to develop comparable acquisition and sales practices.

Resource Requirements

$1.0 Million

7 FTEs
Skills: Program-related analytic skills

IT Requirements: $0.2 Million

Minority Business Development Agency

Enabling Legislation

MBDA operates under the authority of Executive Order 11625 of October 13, 1971. **The agency was created to assist minority businesses in achieving effective and equitable participation in the American free enterprise system.**

Bureau Context

While 28 percent of Americans are minorities, only 11 percent of business owners are minorities, and minority businesses generate only 6 percent of total business receipts. MBDA exists to increase the participation of minorities in our Nation's and the world's commerce.

MBDA helps minority individuals form and grow businesses by assisting them to obtain access to the marketplace and capital. MBDA also assists minority businesses by identifying new business opportunities here and abroad, informing minority-owned businesses about those opportunities, and assisting them in taking advantage of them.

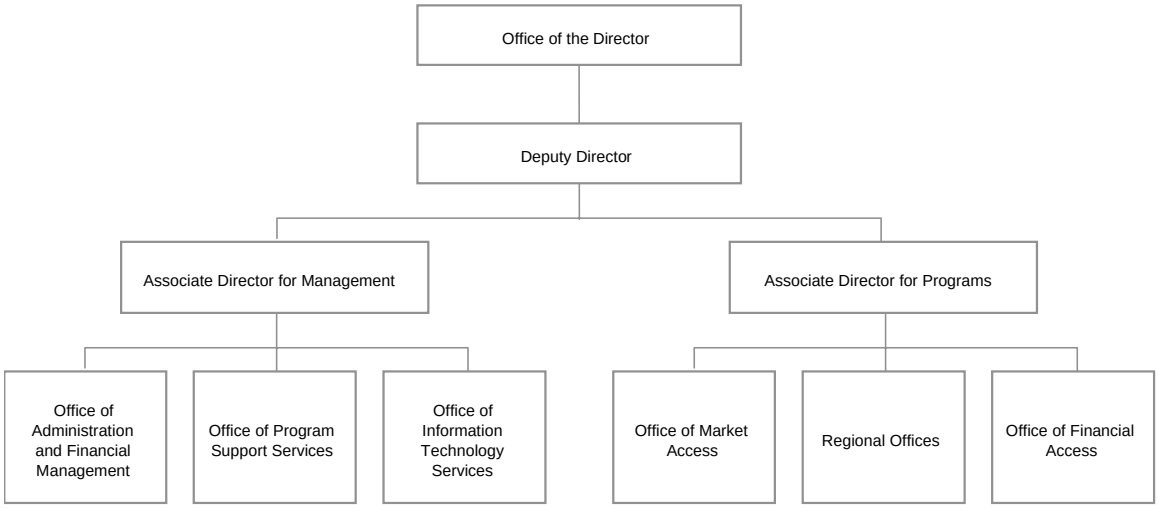
Priorities and Initiatives

Digital Department - MBDA will expand the Phoenix Database which matches minority-owned firms with opportunities to participate on contracts and procurements. MBDA will also implement a Business Geographic Information System which will be used to deliver market information to minority firms via the Internet.

Organizational Structure

MBDA serves minority-owned businesses from its Washington, D.C. headquarters and from its Regional Offices in New York, Chicago, San Francisco, Dallas, and Atlanta, as well as from District Offices in Boston, Philadelphia, Miami, and Los Angeles. In addition, MBDA funds 41 Minority and Native American Business Development Centers, 7 Minority Business Opportunity Committees, and 5 Business Resource Centers. The following organization chart reflects an improved structure to better focus on promoting business and economic development for minority-owned businesses.

Minority Business Development Agency



Minority Business Development Agency

Measures and Targets Summary

Goal: Improve opportunities for minority-owned businesses to have access to the marketplace

Measure	Target
Dollar value of contracts generated by assisted minority-owned businesses	$548 Million

Goal: Improve the opportunities for minority-owned businesses to pursue financing

Measure	Target
Number of business loans received by assisted minority-owned businesses	858
Dollar value of business loans to assisted minority-owned businesses	$475 Million

Resource Requirements Summary

$27.6 Million

120 FTEs
Skills: Marketing, Finance, Research, IT/Internet

IT Requirements: $1 Million

Minority Business Development Agency

Improve opportunities for minority-owned businesses to have access to the marketplace

Rationale for/Comments on Performance Goal:

Minority-owned businesses are connected to the Internet at lower rates than non-minority-owned businesses. Electronic commerce is the fastest growing sector of the economy, presenting opportunities for minority businesses.

Owners of minority businesses require specialized assistance to expand and diversify into areas such as franchising, international trade, business-to-business sales, large-scale financial capital, aquaculture, biotechnology, and manufacturing technology.

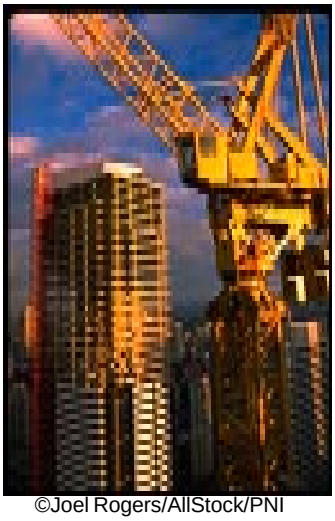
Exports to foreign countries represent a $900 billion market for American firms. Minority firms currently export at lower rates than non-minority firms, and could benefit greatly from this opportunity.

Measure: Dollar value of contracts awarded

Contracts Generated by Assisted Businesses
$ Value in millions

Year	*1998*	*1999*	*2000*	*2001*	*2002*
Target	$533	$548	$548	$650	$700
Actual	$300	TBD	TBD	TBD	TBD

MBDA recognizes the importance of developing more outcome-oriented performance measures to assess the impact of its programs. One measure which MBDA has examined is a measure of gross receipts:
Total dollar value of gross business receipts generated by assisted minority-owned businesses
The data to support this measure is not currently available. MBDA will work to develop this data during fiscal years 1999 and 2000. In FY 2001, MBDA will include this measure in the Commerce Annual Performance Plan.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Data Validation and Verification

Target:	$548 Million
Data Source:	MBDA's Performance Management Database System
Frequency:	Annual
Baseline:	To be established in FY 1999
Data Storage:	MBDA's Performance Management Database System
Verification:	MBDA will conduct a 100% client verification survey
Comment:	MBDA's Performance Management Database System will be fully implemented in FY 1999

Means and Strategies

- MBDA staff have developed an electronic matching system to link minority-owned firms automatically to at least 25,000 new business opportunities worth about $200 million.
- MBDA provides assistance to more than 8,000 minority-owned firms each year via Minority/Native American Business Development Centers, Business Resource Centers and Minority Opportunity Committees.

Minority Business Development Agency

Improve opportunities for minority-owned businesses to have access to the marketplace (cont.)

Crosscutting Activities — Department-Wide

- MBDA works with *EDA* to assure that minority-owned businesses are included in all EDA programs .
- MBDA works with *ITA* to assure that minority-owned businesses are included in Department trade missions.
- MBDA works with *NIST* to include minority owned businesses in programs such as the Manufacturing Extension Program (MEP).
- MBDA is working with *NTIA* to develop a memorandum of understanding on licensing of radio frequency spectrum.

Crosscutting Activities — Other Federal Agencies

- MBDA works with the *SBA* to assure that minority-owned small businesses receive all the services available to other businesses.

External Factors

- The overall health of the economy may influence the $ volume of gross receipts for all businesses, including minority-owned businesses.

Resource Requirements

$15.3 Million

39 FTEs
Skills: Marketing, IT/Internet

IT Requirements: $1 Million

Minority Business Development Agency

Improve opportunities for minority-owned businesses to pursue financing

Rationale for/Comments on Performance Goal:

Obtaining financing is a necessary first step to creating and/or growing a business. Studies show that minorities are approved for new business loans at lower rates than non-minorities.

Measure: Number of financing opportunities (loans)

Number of Business Loans

Year	*1998*	*1999*	*2000*	*2001*	*2002*
Target	858	858	858	925	975
Actual	1,070	TBD	TBD	TBD	TBD

Data Validation and Verification

Target: 858
Data Source: MBDA's Performance Management Database System
Frequency: Annual
Baseline: To be established in FY 1999
Data Storage: MBDA's Performance Management Database System
Verification: MBDA will conduct a 100% client verification survey
Comment: MBDA's Performance Management Database System will be fully implemented in FY 1999

Measure: Dollar value of financing opportunities (loans)

Value of Loans (Millions)

Year	*1998*	*1999*	*2000*	*2001*	*2002*
Target	$462	$447	$475	$500	$550
Actual	$198	TBD	TBD	TBD	TBD

Data Validation and Verification

Target: $548 Million
Data Source: MBDA's Performance Management Database System
Frequency: Annual
Baseline: To be established in FY 1999
Data Storage: MBDA's Performance Management Database System
Verification: MBDA will conduct a 100% client verification survey
Comment: MBDA's Performance Management Database System will be fully implemented in FY 1999

Minority Business Development Agency

Improve opportunities for minority-owned businesses to pursue financing (cont.)

Means and Strategies

- MBDA promotes minority business lending with financial institutions, arranges loan pre-qualification for minority business enterprises, and assists in establishing memoranda of understanding for minority-owned businesses with private and public sector resources.

Crosscutting Activities

- MBDA works with *EDA* and *SBA* to provide access to their loan guarantee programs.

External Factors

- The overall health of the economy and prevailing interest rates may influence the number of loans to all businesses, including minority-owned businesses.

Resource Requirements

$1 Million

7 FTEs
Skills: Finance, Research

IT Requirements: None

National Oceanic and Atmospheric Administration

- **Natural Resources**
- **Natural Disaster Reduction**

Enabling Legislation

The National Oceanic and Atmospheric Administration (NOAA) was established by Reorganization Plan Number 4 of 1970, which became effective on October 3, 1970. The reorganization plan transferred to the Secretary of Commerce various functions relating to oceans and atmosphere, including commercial fishery functions. NOAA's programs and activities are authorized by a number of permanent organic acts and a variety of statutes including:

- The National Weather Service Organic Act
- The National Sea Grant College Program Act
- The Marine Mammal Protection Act
- The Endangered Species Act
- The Magnuson-Stevens Fishery Conservation and Management Act
- The Coast and Geodetic Survey Act
- The Coastal Zone Management Act

Bureau Context

The National Oceanic and Atmospheric Administration's mission is to describe and predict changes in the Earth's environment, and conserve and manage wisely the Nation's coastal and marine resources to ensure sustainable economic opportunities. NOAA conducts research to develop new technologies, improve operations, and supply the scientific basis for managing natural resources and solving environmental problems. NOAA's comprehensive system for acquiring observations - from satellites to radars to ships and submersibles - provides the quality data and information needed for the safe conduct of daily life and the basic functioning of modern society. Common products and services include weather and climate warnings and forecasts, environmental technologies, marine fisheries statistics and regulations, nautical charts, assessments of environmental changes, and hazardous materials response information. These capabilities, products, and services support the domestic security and global competitiveness of the United States, and affect the lives of nearly every citizen today.

NOAA's FY 2000 budget request affirms the agency's role by providing the resources to maintain essential services, facilitate progress in key investment areas of national interest, and address statutory obligations. This proposed budget ensures an appropriate balance among the environmental assessment, prediction, and stewardship needs of the Nation. For FY 2000, NOAA requests $2.5 billion and 12,720 FTE to manage natural resources and provide assessment and prediction of the Earth's environment.

NOAA efforts are key components of the Department of Commerce strategic plan and will contribute significantly to achieving the three DOC strategic themes.

Priorities and Initiatives

Natural Resources - NOAA will work to reduce overfishing and overcapitalization of the Nation's fishery resources; better manage the crisis of salvaging protected resources; protect coastal habitats from continued loss and degradation; conduct more research into the effects of climate changes on the oceans and atmosphere; and promote safe navigation.

Natural Disaster Reduction - NOAA contributes to this initiative by providing weather warnings and forecasts to the general public via the National Weather Service by acquiring and processing hydrometeorological, ocean, and space-based observations, conducting weather and climate research as well as maintaining historical environmental data and making it available to public and private concerns.

National Oceanic and Atmospheric Administration

- Natural Resources
- Natural Disaster Reduction

DOC Strategic Themes and NOAA Goals :

1. *Build for the future and promote U.S. competitiveness in the global marketplace by strengthening and safeguarding the Nation's economic infrastructure.*
   - Advance Short-Term Warning and Forecast Services
   - Promote Safe Navigation

2. *Keep America competitive with cutting-edge science and technology and an unrivaled information base.*
   - Implement Seasonal to Interannual Climate Forecasts
   - Predict and Assess Decadal to Centennial Change

3. *Provide effective management and stewardship of our Nation's resources and assets to ensure sustainable economic opportunities.*
   - Build Sustainable Fisheries
   - Recover Protected Species
   - Sustain Healthy Coasts

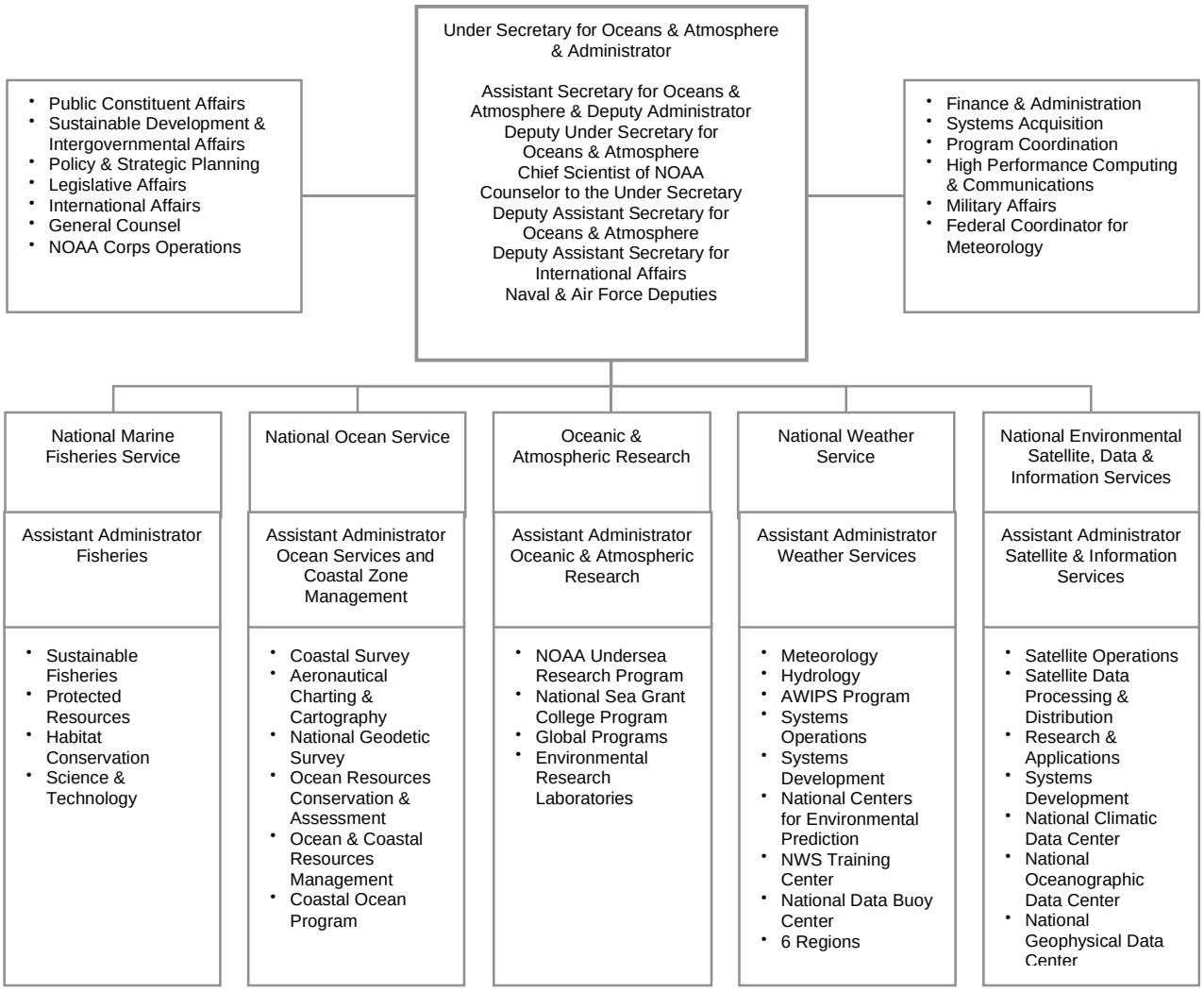
The challenge of investing strategically in the Nation's future is accompanied by the requirement to be more effective, to identify and realize opportunities for savings, and to focus the effects of government on what matters to people. NOAA envisions a 21st century in which environmental stewardship, assessment, and prediction serve as keystones to enhancing economic prosperity and quality of life, better protection of lives and property, and strengthening of the U.S. balance of trade. This vision depends on NOAA actions that:

- Create and disseminate reliable assessments and predictions of weather, climate, space environment, ocean and living marine resources, nautical and geodetic phenomena and systems.
- Implement integrated approaches to environmental management and ocean and coastal resources development for economic and social health.
- Ensure continuous operational observing capabilities -- including buoys, satellites, ships, submersibles, and radars.
- Build and use new information networks including investing in state-of-the-art computing capabilities.
- Develop public-private, interagency, and international partnerships for the expansion, transfer, and archiving of environmental knowledge and technologies.
- Invest in scientific research and the development of new technologies to improve current operations and prepare for the future.
- Improve NOAA's abilities to serve its customers and forge stronger ties with its partners and stakeholders.

National Oceanic and Atmospheric Administration

- **Natural Resources**
- **Natural Disaster Reduction**

Organizational Structure



National Oceanic and Atmospheric Administration

- Natural Resources
- Natural Disaster Reduction

Measures and Targets Summary

Measure	FY 2000 Target
Goal: Advance Short-Term Warning and Forecast Services	
Increase lead time (minutes) and accuracy (%) for severe weather warnings for Tornadoes	12 min 70% accuracy
Increase lead time (minutes) and accuracy (%) for severe weather warnings for Flash Floods	46 min 86% accuracy
Increase lead time (minutes) and accuracy (%) for severe weather warnings for Severe Thunderstorms	20 min 85% accuracy
Increase accuracy (km/mi) of warnings within 24 hours of Hurricane landfall	130km/ 81 mi
Increase lead time (days in advance) for successfully forecasting one inch of precipitation	2.4 days
Increase accuracy (%) of correct forecasts for heavy Snowfall	60%
Increase the accuracy (in degrees F) of Temperatures averaged for all forecasts periods and cycles	Correct: 87% Freezing: 80%
Goal: Implement Seasonal to Interannual Climate Forecasts	
ENSO Forecasts – Accuracy (correlation)	0.85
U.S. temperature – skill score (see p. III - 76 for definition)	20
New and improved data sets developed and produced (number per year)	6
Global Ocean-Atmosphere-Land System (GOALS) experiments implemented (%)	25%
Goal: Predict and Assess Decadal to Centennial Change	
Document the “turnover” of CFC source gases (whose atmospheric abundance is expected to begin decreasing in 1998) in order to verify the effectiveness of global policy actions	N/A
Publish updated trend results of air quality measurements	N/A
Lead development of peer-reviewed initial assessment of regional ozone in North America, including summarizing results for customers	N/A

National Oceanic and Atmospheric Administration

- Natural Resources
- Natural Disaster Reduction

Measures and Targets Summary, cont.

Measure	FY 2000 Target
Goal: Promote Save Navigation	
Number of Physical Oceanographic Real-Time Systems (PORTS) in place to provide quality-assured data in real-time for safe navigation	7
Percent reduction in the backlog (square nautical miles) of hydrographic surveys for critical areas (cumulative)	22.5%
Goal: Build Sustainable Fisheries	
By 2004, 50% fewer overfished fisheries (currently 86 of 286 stocks are overfished. This would be reduced to 43.)	0%
By 2004, 60% of stocks have sufficient essential fish habitat	50%
By 2004, 10% increase in employment in non-capture fishing and other sectors in fishing communities	0%
By 2004, 20% increase in economic contribution of aquaculture to Gross Domestic Product (GDP)	4%
Goal: Recover Protected Species	
Number of recovery plans developed (cumulative)	27
Number of recovery plans priority activities implemented (annual)	20
Number of species with status improved (annual)	16
Number of investigations of human-induced and other sources of mortality (annual)	15
Cooperative conservation programs implemented (cumulative)	10
Goal: Sustain Healthy Coasts	
Number of U.S. coastal regions with reduced introductions and impacts of nonindigenous species (total of 6 regions)	1
Percent of U.S. coastline with threats to habitat assessed and ranked	20%
Number acres of coastal habitat restored (cumulative)	88,000
Percent of state coastal nonpoint pollution control programs approved (% of 35 coastal states)	86%
Number of U.S. coastal regions with systems to predict and reduce impacts of harmful algal blooms (total of 6)	1
Percent of U.S. shoreline and inland areas with improved ability to identify extent and severity of coastal hazards	20%

National Oceanic and Atmospheric Administration

- Natural Resources
- Natural Disaster Reduction

Resource Requirements Summary

$2.5 billion

12,726 FTEs
Skills: Meteorologists, Hydrologists, Engineers, Oceanographers, Physical Scientists, Atmospheric Scientists, Computer Specialists, Chemists, Physicists, Mathematicians, Cartographers, Fishery Biologists, Fishery Economists, Ecologists, Marine Ecologists, Toxicologists

IT Requirements: The following represents some of the major NOAA IT system requirements for FY 2000:

- Advanced Weather Interactive Processing System (AWIPS): $60.5 M
- Next Generation Weather Radar (NEXRAD) System: $48.9M
- Geostationary Operational Environmental Satellites (GOES) Ground System: $6M
- Geophysical Fluid Dynamics Laboratory (GFDL): $5.7M
- Geodetic Support System: $19.8M
- National Marine Fisheries Service Fishing Information Technology System: $25M

National Oceanic and Atmospheric Administration

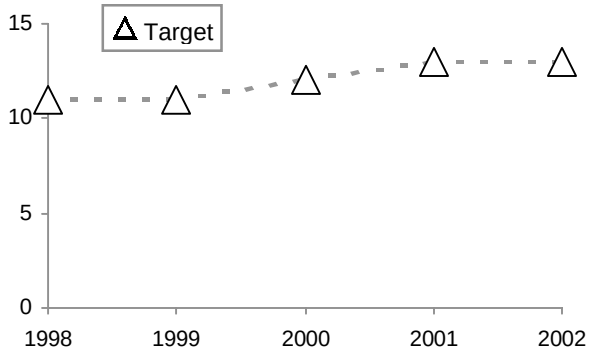
Advance short-term warning and forecast services

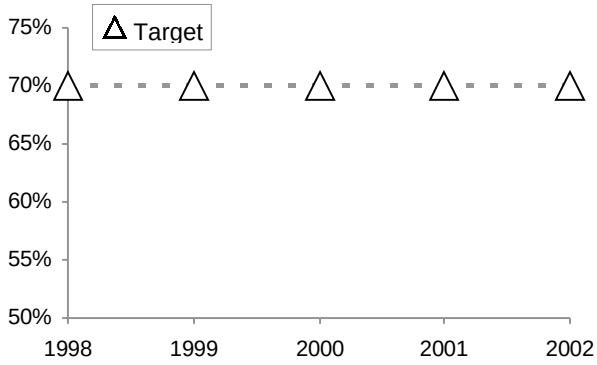
· Natural Disaster Reduction

Rationale for/Comments on Performance Goal:

Significantly improved short-term warning and forecast products and services enhance public safety, through the protection of life and property, and the economic productivity of the Nation. They also enhance NOAA's ability to observe, understand, and model the environment, and effectively disseminate products and services to users.

Measure: Increase lead time (minutes) and accuracy (%) for severe weather warnings through verification statistics for Tornadoes





Data Validation and Verification

Data source: National Weather Service (NWS) Field Offices

Frequency: Annual

Baseline: Progress based on the previous year

Data storage: National Weather Service Headquarters, Office of Meteorology, Silver Spring, MD

Verification: Verification is the process of comparing the predicted weather to the actual outcome. The process begins with the collection of warning and the corresponding observational data from every NWS office across the Nation. Quality control procedures are followed to ensure the highest possible reliability of the gathered data.

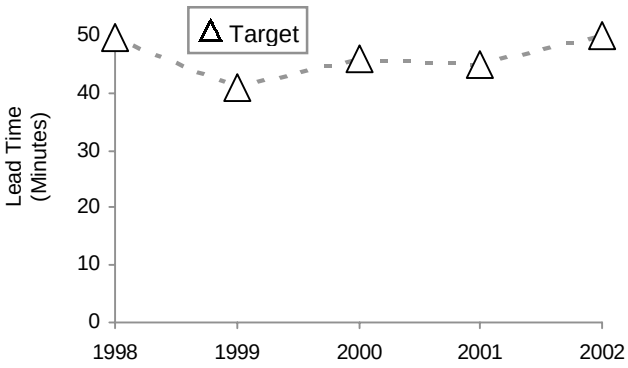
Comment: The Customer Service Core of the NWS Office of Meteorology is responsible for the validation and verification activities. There are limitations of scientific verification in assessing data. The fundamental purpose of scientific verification is to objectively assess program performance through the use of standard statistical analysis. However, a number of factors unique to the atmospheric sciences must be considered to ensure proper interpretation of objectively derived statistics. The primary factor to consider is the natural variation of this performance measure related to annual fluctuations in meteorological conditions associated with severe weather. Outyear measures are dependent on a stable funding profile and take into account improved use of the Weather Surveillance Radar (WSR-88D), new satellites, improved forecast models, new and continued U.S. Weather Research Program (USWRP) research activities, investments in critical observing systems, and implementation of the Advanced Weather Interactive Processing System (AWIPS).

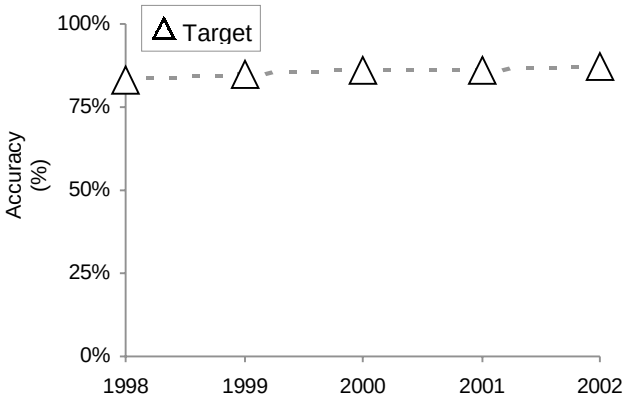
National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

Natural Disaster Reduction

Measure: Increase lead time (minutes) and accuracy (%) for severe weather warnings for Flash Floods





Data Validation and Verification

Data source: National Weather Service Field Offices

Frequency: Annual

Baseline: Progress is based on previous year

Data storage: National Weather Service Headquarters, Office of Meteorology, Silver Spring, MD

Verification: Verification is the process of comparing the predicted weather to the actual outcome. The process begins with the collection of warning and the corresponding observational data from every NWS office across the Nation. Quality control procedures are followed to ensure the highest possible reliability of the gathered data.

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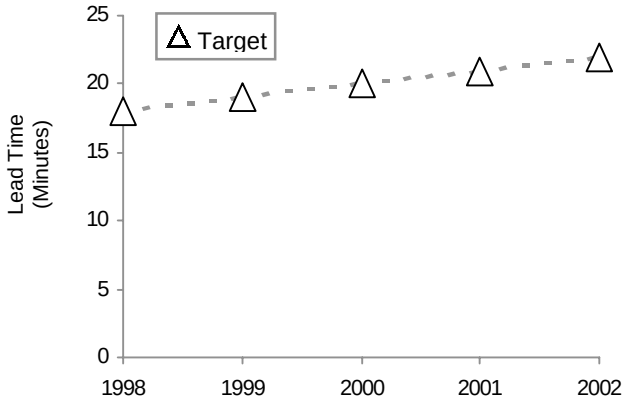
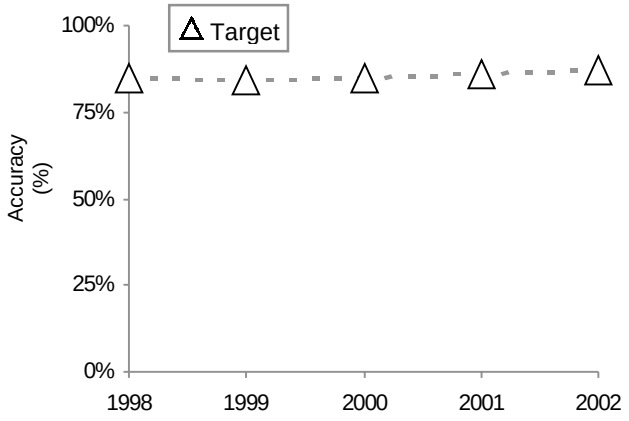
National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

· Natural Disaster Reduction

Measure: Increase lead time (minutes) and accuracy (%) for severe weather warnings for Severe Thunderstorms





Data Verification and Validation

Data source: National Weather Service Field Offices
Frequency: Annual
Baseline: Progress is based on previous year
Data storage: National Weather Service Headquarters, Office of Meteorology, Silver Spring, MD
Verification: Verification is the process of comparing the predicted weather to the actual outcome. The process begins with the collection of warning and the corresponding observational data from every NWS office across the Nation. Quality control procedures are followed to ensure the highest possible reliability of the gathered data.
Comment: The Customer Service Core of the NWS Office of Meteorology is responsible for the validation and verification activities. There are limitations of scientific verification in assessing data. The fundamental purpose of scientific verification is to objectively assess program performance through the use of standard statistical analysis. However, a number of factors unique to the atmospheric sciences must be considered to ensure proper interpretation of objectively derived statistics. The primary factor to consider is the natural variation of this performance measure related to annual fluctuations in the meteorological conditions associated with severe weather. Outyear measures are dependent on a stable funding profile and take into account improved use of the WSR-88D, new satellites, improved forecast models, new and continued research activities of the USWRP, investments in critical observing systems, and implementation of AWIPS.

National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

Natural Disaster Reduction

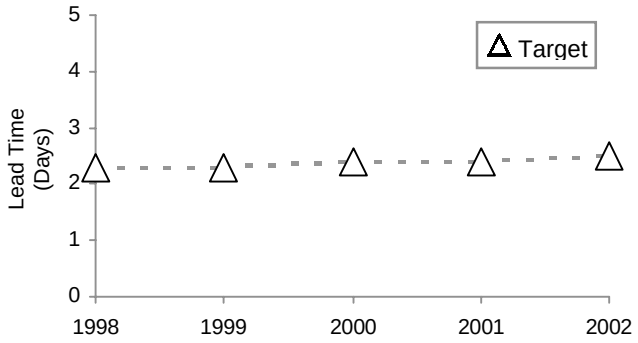
Measure: Increase accuracy (km/mi) of warnings within 24 hours of Hurricane landfall

	— Accuracy —				
Year	1998	1999	2000	2001	2002
Km.	131	135	130	130	125
Mi.	82	84	81	81	78

Data Validation and Verification

Data source: National Hurricane Center (NHC)
Frequency: Annual
Baseline: Established baseline for 24 hour track error in 1993.
Data storage: NHC/Tropical Prediction Center, Miami, FL
Verification: Hurricane storm verification is performed for hurricanes, tropical storms, and tropical depressions and considered whether over land or water. The NHC issues warning when hurricane conditions are expected along the coast within 24 hours. The location and timing of these warnings are based upon a number of factors, including the official NHC track forecast. The average errors of the NHC track forecast for the Atlantic basin are calculated at the end of each hurricane season.
Comment: Documentation for Hurricane Warnings is published in the Atlantic Hurricane Summary published at the end of the hurricane season which ends November 30. Other source documentation to justify performance measure are typically charts/briefings on performance, Special Climate Summary press releases, and NOAA reports. There is large variability in the hurricane warning program due to sample sizes and types of storms each year. There may be years with unusually easy or difficult forecasts. Outyear measures are dependent on a stable funding profile and take into account improved use of the WSR-88D, new satellites, improved forecast models, new and continued research activities of the USWRP, investments in critical observing systems, and implementation of AWIPS.

Measure: Increase lead time (days in advance) for successfully forecasting one inch of precipitation



Data Validation and Verification

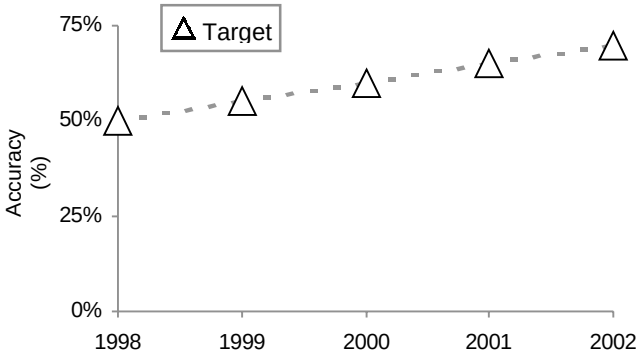
Data source: Hydrometeorological Prediction Center (HPC)
Frequency: Annual
Baseline: Established 24 hour forecast baseline in 1971.
Data storage: World Weather Building, Camp Springs, MD
Verification: HPC has produced the Quantitative Precipitation Forecast (QPF) since the early 1960s and has kept verification statistics related to the QPF program since that time. All data is examined for accuracy and quality control procedures are applied.
Comment: The NWS routinely prepares and distributes to internal and external customers predictions of heavy rainfall. The HPC has the responsibility to prepare both graphical and text products depicting the areas threatened by heavy precipitation in the contiguous United States. There will be a significant amount of variability and the improve ments may not be achieved exactly as predicted. Outyear measures are dependent on a stable funding profile and take into account improved use of the WSR-88D, new satellites, improved forecast models, new and continued research activities of the USWRP, investments in critical observing systems, and implementation of AWIPS.

National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

Natural Disaster Reduction

Measures: Increase accuracy (%) of correct forecasts for heavy Snowfall



Data Validation and Verification

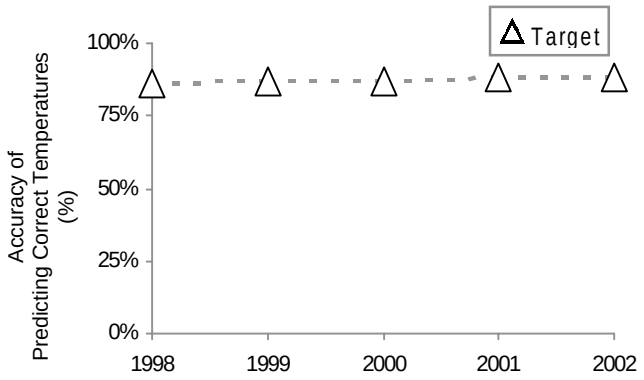
Data source: National Weather Service Field Offices
Frequency: Annual
Baseline: 3-year moving average.
Data storage: National Weather Service Headquarters, Office of Meteorology, Silver Spring, MD
Verification: Verification is the process of comparing the predicted weather to the actual outcome. The process begins with the collection of forecasts and the corresponding observational data from every NWS office across the Nation. Quality control procedures are followed to ensure the highest possible reliability of the gathered data.
Comment: Forecast accuracy for heavy snowfall is defined as the percent of correct forecasts for all snowfall events of 4 inches or more, over a 24 hour period. Documentation for heavy snowfall is printed annually. Due to the relatively few number of cases each year, the projections assume a 3-year average (current plus 2 previous years equally weighted). Due to the large volume of data gathered and computed, a document for the above cannot be finalized until well into the following fiscal year. Outyear measures are dependent on a stable funding profile and take into account improved use of the WSR-88D, new satellites, improved fore cast models, new and continued research activities of the USWRP, investments in criti cal observing systems, and implementation of AWIPS.

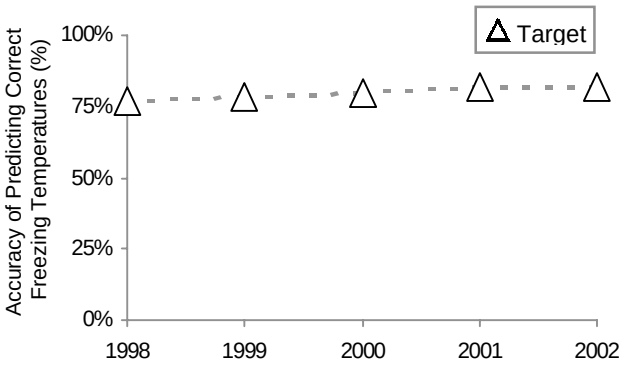
National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

Natural Disaster Reduction

Measure: Increase the accuracy (in degrees F) of temperatures averaged for all forecasts periods and cycles





Data Validation and Verification

Data source: National Weather Service Field Offices

Frequency: Annual

Baseline: Progress is based on previous year.

Data storage: National Weather Service Headquarters, Office of Meteorology, Silver Spring, MD

Verification: Verification is the process of comparing the predicted weather to the actual outcome. The process begins with the collection of forecasts and the corresponding observational data from every NWS office across the Nation. Quality control procedures are followed to ensure the highest possible reliability of the gathered data.

Comment: The performance measure involves two types of temperature forecasts: the percentage of correct temperature forecasts and the forecast accuracy of the onset of freezing temperatures. The correct temperature forecasts are defined as those whose absolute errors differ by 5F or less averaged for all forecast periods and cycles. The forecast accuracy of freezing temperatures is defined as the frequency that a minimum temperature of 32F (0C) or less was correctly forecast when the previous day's minimum temperature was 40F or more. Data is based on the 12Z cycle forecast (24hr period) and the 00Z cycle forecast (36hr projection) for the over night minimum temperature. Documentation for temperature verification is printed annually. Due to the large volume of data gathered and computed, documentation for the above cannot be finalized until well into the following fiscal year. Outyear measures are dependent on a stable funding profile and take into account improved use of the WSR-88D, new satellites, improved forecast models, new and continued research activities of the USWRP, investments in critical observing systems, and implementation of AWIPS.

National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

- **Natural Disaster Reduction**

Means and Strategies

Means or Activity	Strategy or Rationale
Sustain modernized weather service operations.	Our increased understanding of the environment through research and investments in new technologies has provided more accurate and timely weather warnings and forecasts required by the Nation.
Maintain continuous operational satellite coverage critical for warnings and forecasts.	Satellites positioned over the United States provide uniform coverage with visible and infrared (day and night) imagery. Satellite coverage is combined with and complements data from other systems to form a complete set of information about the space from the Earth's surface to the upper atmosphere.
Strengthen observing and prediction systems through scientific, technological and programmatic advances, and international cooperation.	The environment has profound effects on human welfare and economic well-being. NOAA is committed to improving its observing systems, developing a better understanding of natural processes, and enhancing its predictive models and dissemination systems.
Improve customer service to the public, emergency managers, the media, and private forecast planners through effective communication and utilization of NOAA's products.	Effective communication and dissemination are critical to the users of weather forecasts, warnings, and other products. These are accomplished through the utilization of telecommunication systems and external outreach.

National Oceanic and Atmospheric Administration

Advance short-term warning and forecast services (cont.)

- Natural Disaster Reduction

Crosscutting Activities

- Weather and climate services are provided to the public and industry through a unique partnership between NOAA and the private meteorological sector. NOAA provides forecasts and warnings for public safety, and the private sector promotes dissemination of forecasts and the tailoring of basic information for business uses.
- NOAA works closely with other DOC bureaus, such as *NIST* and *EDA*, and other agencies such as FEMA, the Corps of Engineers, the Bureau of Reclamation, and others as well as state and local governments to participate in the Federal Natural Disaster Reduction initiative which is focused on reducing the costs of natural disasters and saving lives through improved warnings and forecasts and the provision of information to improve resiliency to disaster.
- NOAA works very closely with DoD, especially the Air Force, to complement DoD meteorological services in the interest of national security. NOAA also works directly with FAA on aviation forecasts and with NASA on launch forecasts and solar forecast effects.

Program Evaluation Efforts

- Program evaluations at NWS field offices are conducted annually.
- Quality control procedures are also followed to ensure the highest possible reliability of gathered data and weather products.
- The National Academy of Sciences is also involved in program analysis and evaluation processes on a national level.

Resource Requirements

$1.3 Billion

6,156 FTEs
Skills: Meteorologists, Hydrologists, Electronic Technicians, Hydrometeorological Technicians, Engineers, Oceanographers

IT Requirements:

- Advanced Weather Interactive Processing System: $60.5M
- Next Generation Weather Radar (NEXRAD) System: $48.9M
- Geostationary Operational Environmental Satellites (GOES) Ground System: $6M
- Automated Surface Observing System (ASOS): $11.75

National Oceanic and Atmospheric Administration

Implement seasonal to interannual climate forecasts

- Natural Resources
- Natural Disaster Reduction

Rationale for/Comments on Performance Goal:

NOAA works with academic and multinational partners to provide one-year lead-time forecasts of known skill of global climate variability, especially El Niño, and consequent precipitation and surface temperature distributions. These forecasts increase society's ability to mitigate economic losses and social disruption.

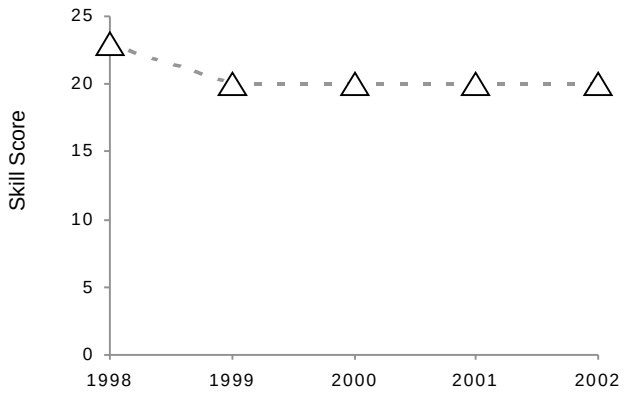
Measure: ENSO (El Niño/Southern Oscillation) Forecasts - Accuracy (correlation)

	Accuracy				
Year	*1998*	*1999*	*2000*	*2001*	*2002*
Correlation	.85	.85	.85	.85	.85

Data Validation and Verification

Data source: Forecasts of sea surface temperature in a portion of the Pacific Ocean, and observations from buoys, ships, and satellites.
Frequency: Annual
Baseline: 1997: .81 correlation
Data storage: National Weather Service's National Centers for Environmental Prediction, Camp Springs, MD
Verification: NOAA quality controls the incoming data (e.g., error checking, interstation comparison), and the satellite data can be compared with the in situ data to help validate the data accuracy.
Comment: This measure assesses the correlation between forecasts of sea surface temperature (based on models) and actual sea surface temperature (based on satellite and in situ observations). Improvements in forecasting ability depend upon improved observations, models, and research. Forecasts will likely be better in El Niño years than in non-El Niño years.

Measure: U. S. temperature - skill score



Data Validation and Verification

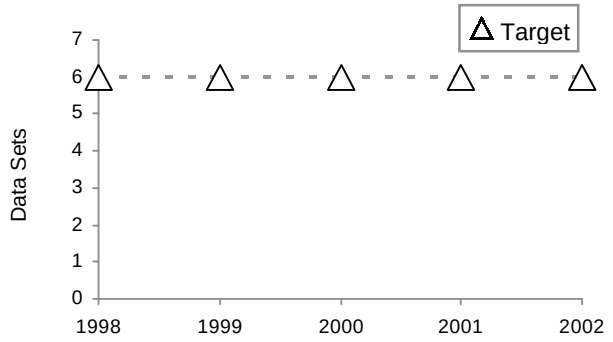
Data source: Forecast data, observations from U.S. Weather Forecast Offices (WFO), and from a cooperative network maintained by volunteers across the Nation.
Frequency: Annual
Baseline: 1997: 22 skill score
Data storage: National Weather Service's National Centers for Environmental Prediction, Camp Springs, MD
Verification: NOAA performs quality assurance analysis of the data (e.g., error check ing, elimination of duplicates, interstation comparison) both at the national and WFO level.
Comment: For those areas of the United States where a temperature forecast (i.e., warmer than normal, cooler than normal, normal) is made, this score measures how much better the prediction is than the random chance of being correct. Skill score is based on a scale of 50 to +100. If forecasters match what would be predicted by random chance, the skill score is 0. Anything above 0 shows positive skill in forecasting. Given the difficulty of making advance temperature and precipitation forecasts for specific locations, a skill score of 20 is considered quite good and means the forecast was correct in almost 50 percent of the locations forecasted. Forecasts will likely be better in El Niño years than in non-El Niño years.

National Oceanic and Atmospheric Administration

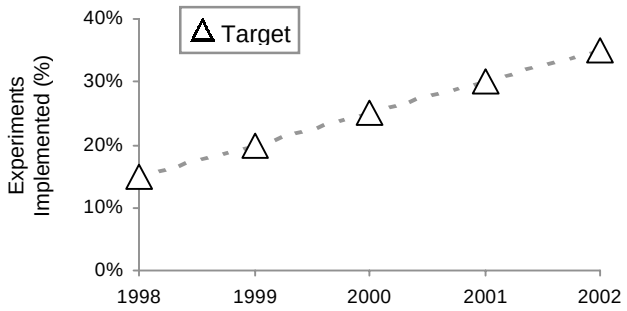
Implement seasonal to interannual climate forecasts (cont.)

- Natural Resources
- Natural Disaster Reduction

Measure: New and improved data sets developed and produced (number per year)



Measure: Global Ocean-Atmosphere-Land System (GOALS) experiments implemented (%)



Data Validation and Verification

Data source: Satellite data sets from NOAA and Department of Defense environmental satellites, and in situ data sets worldwide from ships, buoys, air craft, radiosondes.
Frequency: Annual
Baseline: 1997: 7 data sets
Data storage: National Environmental Satellite, Data, and Information Service's National Climatic Data Center in Asheville, NC, and Office of Satellite Data Processing and Distribution in Suitland, MD
Verification: NOAA performs quality control, including error checking, elimination of duplicates, and interstation comparison. In addition, for the satellite data, NOAA itself does the data processing.
Comment: In the future, the National Oceanographic Data Center and the National Geophysical Data Center may also contribute to this performance measure, if funding levels permit. Compilation of the in situ data sets, particularly the global data sets, relies on continued international data exchange cooperation.

Data Validation and Verification

Data source: Progress reports
Frequency: Annual
Baseline: 1997: 15 percent
Data storage: NOAA Office of Global Programs, Silver Spring, MD
Verification: Progress is reported to NOAA management at Quarterly Reviews.
Comment: The Global Ocean-Atmosphere-Land System Program has been formulated to continue improvements in the prediction of ENSO, extend our understanding and predictive capability to include global seasonal-to-interannual climate variations, and develop the observational and computational means for predicting these variations. Should the program be prolonged due to, for example, unexpected research findings or fiscal constraints, the program could be extended and the percentage of the program completed could stall.

National Oceanic and Atmospheric Administration

Implement seasonal to interannual climate forecasts (cont.)

- Natural Resources
- Natural Disaster Reduction

Means and Strategies

Means or Activity	Strategy or Rationale
Implement climate predictions systems to deliver useful seasonal to interannual climate forecasts for the U.S. and collaborate in a multinational effort to generate and use similar forecasts.	The ability to forecast seasonal climate variability, including temperature and precipitation, provides enormous socio-economic benefits to the United States, including the protection of life and property.
Enhance global observing and data systems required to provide data for the initialization and validation of model predictions of seasonal to interannual climate variations.	Climate observations and data systems to analyze, distribute, and save this information are the crucial building blocks of our research and forecasting efforts.
Invest in process and modeling research that leads to improved predictability of temperature and rainfall distributions.	Research will help improve our understanding of El Niño and other modes of climate variability, resulting in better models and thus more accurate predictions with longer lead times.
Assess the impacts of climate variability on human activity and economic potential, and improve public education so that climate forecasts are understood and acted upon.	Discussion and assessments with various user communities will ensure that they understand and benefit from our climate forecasts; soliciting user input will help us create forecasts that are even more useful.

Crosscutting Activities

- NOAA works with a wide variety of partners in the area of climate forecasts, including other federal agencies (e.g., *the Federal Emergency Management Agency (FEMA)* and the *Agency for International Development*), state and local agencies (e.g., state departments of environmental protection and emergency preparedness managers), academia, foreign government agencies, and international organizations. In preparing for the 1997-1998 El Niño, NOAA worked closely with FEMA and state and local officials, greatly improving the preparedness of the public for the severe weather resulting from El Niño.

Program Evaluation Efforts

A number of NOAA Line Offices participate in the seasonal to interannual goal. The Office of Oceanic and Atmospheric Research conducts periodic reviews of the activities of its Environmental Research Laboratories. The National Environmental Satellite, Data, & Information Service holds management performance reviews several times per year. NOAA also holds constituent workshops at which NOAA's seasonal climate forecast efforts are discussed with the users of our data and products, and their input is solicited to help shape future efforts.

Resource Requirements

$119 Million

538 FTEs
Skills: Meteorologists, Oceanographers, Physical Scientists, Atmospheric Scientists, Computer Specialists

IT Requirements:

- Satellite Active Archive: $1.5M
- NOAA Virtual Data System: $2.5M

National Oceanic and Atmospheric Administration

Predict and assess decadal to centennial change

- Natural Resources
- Natural Disaster Reduction

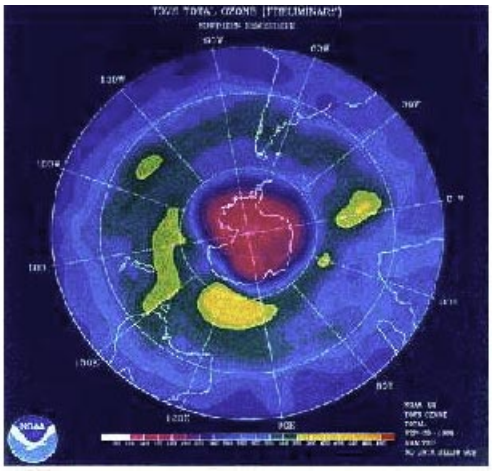
Rationale for/Comments on Performance Goal:

Policymakers require, and NOAA and its partners provide, science-based information for decisions regarding decadal to centennial changes in the global environment, specifically for: climate change and greenhouse warming; ozone layer depletion; and air quality improvement.

Measure: Document the "turnover" of CFC source gases (whose atmospheric abundance is expected to begin decreasing in 1998) in order to verify the effectiveness of global policy actions

— Documents on Turnover —

Year	*1998*	*1999*	*2000*	*2001*	*2002*
#	N/A	1	N/A	N/A	1



Data Validation and Verification

Data source:	Research from NOAA/OAR/ERL/Aeronomy Laboratory
Frequency:	Aperiodic (approximately every 3-5 years)
Baseline:	A report every 3-5 years
Data storage:	NOAA Aeronomy Laboratory, Boulder, CO
Verification:	Data are taken using proven, peer-reviewed procedures. The results are also peer-reviewed by internationally qualified experts as part of the publication process.
Comment:	Turnover of gases refers to the increase and decrease of specific gases in the atmosphere over time. Five years is the period generally used to expect reasonable progress in a field such that a new assessment or report could be justified. Those products take 2 ½ to 3 years to produce. The scientific assessments of the state of our understanding of the stratospheric ozone depletion are sponsored by NOAA, the National Air and Space Administration, the United Nations Environmental Program, and the World Meteorological Organization. They are undertaken every three to five years based on advancements in the science. The third assessment was published in 1994. The fourth is underway at this time.

National Oceanic and Atmospheric Administration

Predict and assess decadal to centennial change (cont.)

- Natural Resources
- Natural Disaster Reduction

Measure: Publish updated trend results of air quality measurements

— Number of Publications—

Year	*1998*	*1999*	*2000*	*2001*	*2002*
#	N/A	1	N/A	1	N/A

Data Validation and Verification

Data source: Research from NOAA/OAR/ERL/Air Resources Laboratory
Frequency: Biennial
Baseline: A report every 3-5 years
Data storage: NOAA/Air Resources Laboratory, Silver Spring, MD
Verification: Data are taken using proven, peer-reviewed procedures. The results are also peer-reviewed by internationally qualified experts as part of the publication process.
Comment: Five years is the period generally used to expect reasonable progress in a field such that a new assessment or report could be justified. Those products take two and a half to three years to produce.

Measure: Lead development of a peer-reviewed initial assessment of regional ozone in North America, including summarizing results for customers

— Assessments/Reports —

Year	*1998*	*1999*	*2000*	*2001*	*2002*
#	N/A	1	N/A	N/A	1

Data Validation and Verification

Data source: Research from NOAA/OAR/ERL/Aeronomy Laboratory
Frequency: Aperiodic (approximately every 3-5 years)
Baseline: A report every 3-5 years
Data storage: Research from NOAA/Aeronomy Laboratory, Boulder, CO
Verification: Data are taken using proven, peer-reviewed procedures. The results are also peer-reviewed by internationally qualified experts as part of the publication process.
Comment: Five years is the period generally used to expect reasonable progress in a field such that a new assessment or report could be justified. Those products take two and a half to three years to produce. The assessments conducted under the North American Research Strategy for Tropospheric Ozone are conducted on a three to five year interval determined by the scientific advancements that have occurred and the perceived requirements for updates to Congress, the Office of Science and Technology Policy, and the Committee on Environment and Natural Resources. The chart above represents the present assessment schedule.

National Oceanic and Atmospheric Administration

Predict and assess decadal to centennial change (cont.)

- Natural Resources
- Natural Disaster Reduction

Means and Strategies

Means or Activity	Strategy or Rationale
Characterize the agents and processes that force decadal to centennial change.	Natural events and human activities cause changes in climate. The atmospheric amounts of many greenhouse gases are increasing. This objective addresses understanding natural and man-induced greenhouse processes
Understand the role of the ocean as a reservoir of both heat and carbon dioxide to address a major source of uncertainty in climate models.	Research has highlighted the role of the oceans in climate change. Accurate simulations of the coupled air-sea system are essential for predicting and assessing climate variability.
Ensure a long-term climate record by enhancing domestic and international weather networks, observing procedures, and information management systems. Document present and past changes and variations in the climate system, including extreme events, and rapid climate changes, exploiting national and international observing networks, satellites, and paleoclimatic data.	A well-documented, long-term record of climate data is required to ascertain the sensitivity of the climate system to changes in atmospheric composition and the impact of climate change on socio-economic, biogeochemical, and physical systems.
Guide the rehabilitation of the ozone layer by providing the scientific basis for policy choices associated with ozone-depleting compounds and their replacements.	A better definition of which substitutes are the most “ozone friendly” will help our chemical industry avoid production of a substitute that later proves to destroy unacceptable amounts of ozone.
Provide the scientific basis for better air quality by improving the understanding of high surface ozone episodes in rural areas and by strengthening the monitoring network to detect cleaner air quality and improving the characterization of airborne fine particles.	Stations that detect air quality must be upgraded and maintained to provide the required information to achieve a more effective Clean Air Act implementation.
Develop models for the prediction of long-term climate change (including extreme events and rapid climate changes), carry out scientific assessments, and provide human impacts information.	Explanatory environmental models must be strengthened through better understanding of the atmospheric and oceanic processes to meet the challenges of understanding and foreseeing climate variability and long term changes.

National Oceanic and Atmospheric Administration

Predict and assess decadal to centennial change (cont.)

- **Natural Resources**
- **Natural Disaster Reduction**

Crosscutting Activities

- NOAA depends strongly on universities to help accomplish its science objectives through a network of *Joint and Cooperative Institutes* and Universities.
- NOAA also funds academic researchers through competitive, peer-reviewed programs, including the Global Climate Change Program.
- NOAA, in partnership with *ITA* within the Department of Commerce, other federal agencies, the private sector, and academia, is providing the foundation the U.S. will depend upon to lead new emerging global industries in economically and environmentally sustainable ways.

Program Evaluation Efforts

- All NOAA Environmental Research Laboratories are reviewed on a regular basis. The Sea Grant Colleges are visited at least every two years by a review panel.
- The National Undersea Research Centers are visited annually and reviewed for certification on a six-year basis.
- All the external science supported by NOAA is openly solicited and competed and peer- and panel-reviewed**.** All principal investigators are encouraged to publish their results in the peer-reviewed literature.

Resource Requirements

$102 million

462 FTEs
Skills: Meteorologists, Instrumentation Engineers, Oceanographers, Instrumentation Technicians, Computer Scientists, Chemists, Physicists, Mathematicians, Electronic Engineers

IT Requirements:

- Geophysical Fluid Dynamics Laboratory (GFDL): $5.7M

National Oceanic and Atmospheric Administration

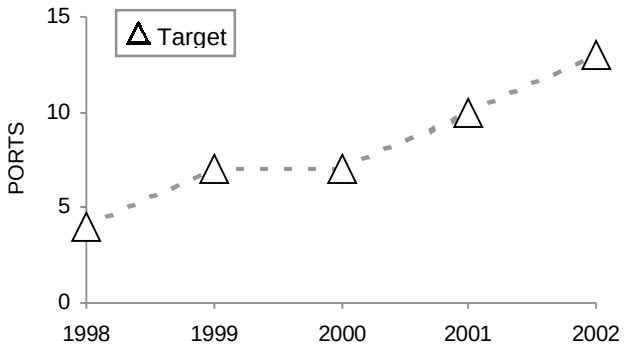
Promote safe navigation

• Natural Resources

Rationale for/Comments on Performance Goal:

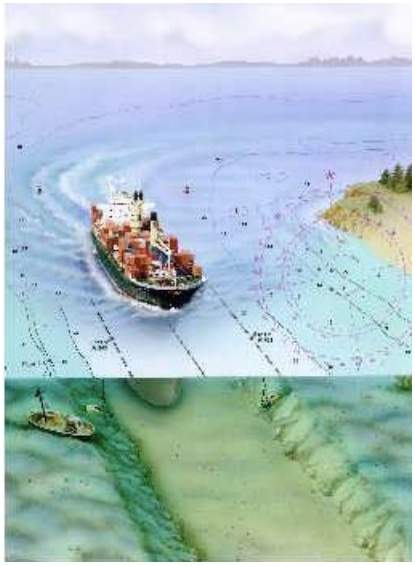
NOAA serves commercial and recreational mariners around the Nation by providing these customers with nautical charts, tides and currents data, and geographic positioning data for safe navigation. Geodetic services are vital to the broader mapping and surveying industry nationwide. Shoreline data and real-time tides and currents information also serve the coastal resource management and oil spill/disaster response communities. NOAA is currently exploring innovative ways to modernize its services in a cost-efficient manner to meet customer needs.

Measure: Number of Physical Oceanographic Real-Time Systems (PORTS) in place to provide quality-assured data in real-time for safe navigation



Data Validation and Verification

Target:	Increase the # of PORTS by 3 each year
Data source:	National Ocean Service/Ocean Products Service Center automated data base which tracks system operation and equipment upgrades.
Frequency:	Ongoing, annual reporting
Baseline:	From FY 1994.
Data storage:	Automated database at National Ocean Service
Verification:	National Ocean Service will apply standard verification and validation methods.
Comment:	Severe weather can impact the water level stations, by knocking them off-line, affecting the accuracy of real-time data, or destroying them completely. This performance measure can be affected by maintenance schedules or the need to replace existing equipment. Annual targets include PORTS "Lite" which is a substantially smaller, single station system requiring less maintenance than a regular PORTS system which consists of as many as 26 stations (e.g., San Francisco).

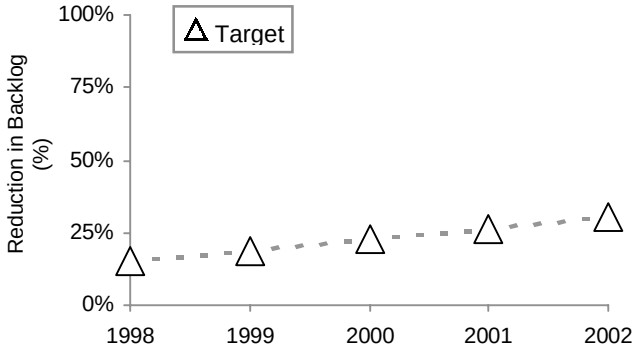


National Oceanic and Atmospheric Administration

Promote safe navigation (cont.)

• Natural Resources

Measure: Percent reduction in the backlog (square nautical miles) of hydrographic surveys for critical areas (cumulative)



Data Validation and Verification

Target:	4% annual reduction in backlog beginning in FY 2000
Data source:	Progress reports on data collected from hydrographic survey platforms.
Frequency:	Annual
Baseline:	From FY 1994.
Data storage:	National Ocean Service will store data and publish nautical charts.
Verification:	National Ocean Service will apply established verification and validation methods.
Comment:	Progress in reducing the backlog is measured against a baseline value of 43,000 square nautical miles as determined in 1994. Weather can affect scheduled surveys.

National Oceanic and Atmospheric Administration

Promote safe navigation (cont.)

• Natural Resources

Means and Strategies

Means or Activity	Strategy or Rationale
Provide mariners with predictions and observations of water levels, tides and currents, and weather conditions in ports.	Increased access to quality-assured tide, current, and positioning data, particularly in real-time, enables commercial mariners to navigate in and out of ports efficiently and with confidence that they will not run aground.
Update nautical surveys in order to accurately chart the depth of the sea floor and identify obstructions to navigation.	Hydrographic survey data forms the basis of NOAA's nautical charts. By reducing the backlog of surveys in critical areas, NOAA will be able to update charts for some of the Nation's busiest and most hazardous shipping areas.
Build, maintain, and deliver a digital nautical charting database.	Creating a nautical chart database allows NOAA to apply new data to nautical charts quickly and efficiently. It will also enable NOAA to deliver its products to customers in an electronic format that meets their needs.
Create a Global Positioning System (GPS) - based system of reference marks and stations that support the digital revolution in mapping, charting, and surveying.	Increasing reliance on GPS positioning for surveying and navigation requires an accurate national spatial reference system. The ability of GPS to accurately measure heights is particularly important to marine surveying and navigation.
Map the national shoreline.	Accurate shoreline data is a critical component of nautical charts.

Crosscutting Activities

- NOAA works closely with the U.S. Coast Guard, the U.S. Army Corps of Engineers, local port authorities, state coastal zone management agencies, state oil-spill response organizations, and others while creating a context for new partnerships with the private sector. The U.S. Army Corps of Engineers provides crucial data pertaining to navigation channels approaching the Nation's ports and harbors. The U.S. Coast Guard, in its national waterways management initiative, is depending on NOAA to successfully deliver the suite of navigation services which would result from a balanced investment in the programmatic components of the Promote Safe Navigation goal. Providing this suite of services is NOAA's responsibility as the agency works to promote safe navigation. These products and services include real-time and forecast tide and current information, and a range of electronic chart products from raster to vector. These products and services support the Coast Guard's national waterways management program, and are also used by the public and private sectors.

National Oceanic and Atmospheric Administration

Promote safe navigation (cont.)

• Natural Resources

Program Evaluation Efforts

- A number of Marine Board studies (listed below) were carried out between 1992 and 1996 to evaluate the nautical charting program and its transition into the digital era. Study recommendations have been incorporated into the program and their successful implementation is being monitored through existing performance measures. Particularly important are the recommendations for reducing the survey backlog, implementing new digital production techniques, and delivering new electronic chart products. Another important recommendation urged the program to make substantial use of contract support for all aspects of the program. In FY 1995, contracting was less than 5% of the program activities. In FY 1998, contract support for the program will approach $20M - about half of the program's annual appropriation.

  Marine Board Studies:

  Charting a Course into the Digital Era - Guidance for NOAA's Nautical Charting Mission. Marine Board, 1994. National Academy Press. Washington, D.C.
  ANCS II Study**,** Marine Board, January 1996.
  A Performance-Based Organization for Nautical Charting and Geodesy. June 1996. National Academy of Public Administration. Washington, D.C.

- The National Academy of Public Administration examined all of the programmatic components of Promote Safe Navigation to determine if they could be converted into a Performance-Based Organization. The result of the study found that these essential programs would not survive on product receipts.

Resource Requirements

$95 million

807 FTEs
Skills: Meteorologists, Cartographers, Photogrammetists, Hydrologists, Geodesists, Hydrographers, Oceanographers, Physical Scientists, Engineers, Computer Scientists, Aerial Photographers

IT Requirements:

- Nautical Charting and Surveying System: $33.3M
- *Physical Oceanographic Real-Time Systems (PORTS) and *Data Processing and Analysis Subsystem (DPAS) for National Water Level Observation Network: $14.9M
- Geodetic Support System: $19.8M

*PORTS and DPAS are appropriated together through the "Tide and Current Data" line item of the NOAA budget.

National Oceanic and Atmospheric Administration

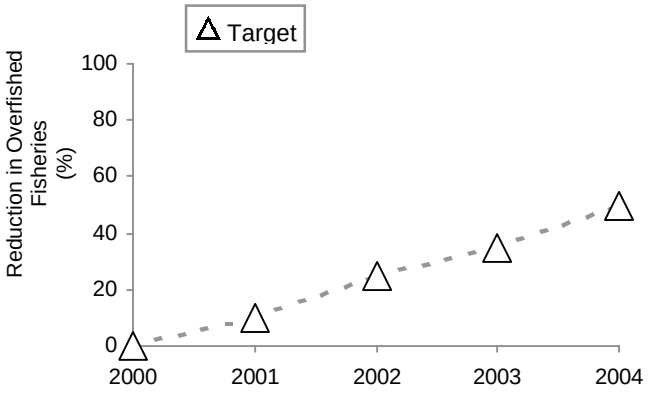
Build sustainable fisheries

Natural Resources

Rationale for/Comments on Performance Goal:

Billions of dollars in economic growth, thousands of jobs, and countless recreational fishing opportunities are wasted as a result of overfishing and overcapitalization in commercial and recreational fisheries. While many fisheries are well managed and produce positive benefits, others are severely depleted or overcapitalized, and must be restored and managed to realize their long-term potential. Rebuilding and reducing overcapitalization in existing fisheries will promote the economic and biological sustainability of U.S. fishing resources. Building sustainable fisheries will increase greatly the Nation's wealth and quality of life.

Measure: ***By 2004, 50% fewer overfished fisheries (Currently 86 of 286 stocks are overfished. This would be reduced to 43.)***



Data Validation and Verification

Data source:	NOAA/ National Marine Fisheries Service (NMFS) Report to Congress: Status of Fisheries of the United States
Frequency:	Annual
Baseline:	See below
Data storage:	NOAA/NMFS Office of Sustainable Fisheries
Verification:	Stock assessments and peer-reviews (internal and outside the agency)
Comment:	The reauthorization of the Magnuson-Stevens Sustainable Fisheries Act of 1996 requires that overfishing be eliminated in ten years. A period of two years has been provided to amend the Fisheries Management Plans of affected overfished stocks to reflect the new law. The 50% goal means that the currently 86 overfished fisheries will be reduced to 43 or less by 2004. External factors that may affect NOAA's ability to reach this target include the impact of climate and other natural conditions, such as El Niño, on biological stocks.

National Oceanic and Atmospheric Administration

Build sustainable fisheries (cont.)

Natural Resources

Measure: By 2004, 60% of stocks have sufficient essential fish habitat

— Stocks With Essential Fish Habitat —

Year	*1998*	*1999*	*2000*	*2001*	*2002*
%	N/A	N/A	50	52	54

Data Validation and Verification

Data source: Regional offices of NOAA/NMFS
Frequency: Annual
Baseline: See below.
Data storage: Regional Office of NOAA/NMFS
Verification: Inter-agency and internal peer-review.
Comment: The reauthorization of the Magnuson-Stevens Sustainable Fisheries Act of 1996 requires NMFS to identify, protect, and restore essential fish habitats. A period of two years has been provided to amend the affected Fisheries Management Plans to reflect the new law. Regulations have been promulgated to define "essential fish habitat," and Regional Fisheries Management Councils, as key stakeholders, have participated extensively in this regulatory process. External factors that may affect NOAA's ability to reach this target include the impact of biological and other natural conditions.

Measure: By 2004, 10% increase in employment in non-capture fishing and other sectors in fishing communities

— Increase in Employment —
(in non-capture fishing and other sectors in fishing communities)

Year	*1998*	*1999*	*2000*	*2001*	*2002*
%	N/A	0%	0%	0%	5%

Data Validation and Verification

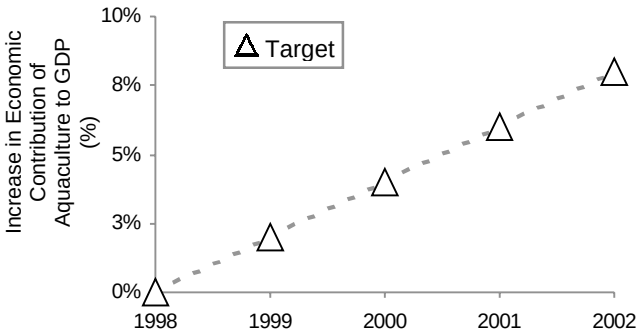
Data source: U.S. Department of Commerce/Bureau of Economic Analysis
Frequency: Annual
Baseline: See below.
Data storage: U.S. Department of Commerce/Bureau of Economic Analysis
Verification: BEA has been consulted and may provide the information and verification.
Comment: NMFS has approached the Bureau of Economic Analysis to provide the information starting with 1999 figures. External factors that may affect NOAA's ability to reach this target include impact of national and/or local economic conditions. Non-capture fishing is aquaculture.

National Oceanic and Atmospheric Administration

Build sustainable fisheries (cont.)

• Natural Resources

Measure: By 2004, 20% increase in economic contribution of aquaculture to Gross Domestic Product (GDP)



Data Validation and Verification

Data source:	NOAA/NMFS, BEA, U.S. Department of Agriculture
Frequency:	Annual
Baseline:	BEA has been consulted and may provide GDP estimates beginning with 1999 figures.
Data storage:	BEA
Verification:	BEA has been consulted and may provide information and verification.
Comment:	BEA will serve as a satellite account. Aquaculture is defined as marine aquaculture, including the Great Lakes. External factors that may affect NOAA's ability to reach this target include the impact of national and/or local economic conditions.

Means and Strategies

Means or Activity	Strategy or Rationale
Eliminate and prevent overfishing and overcapitalization.	As evidenced by the Sustainable Fisheries Act amendments, there is a strong consensus among lawmakers, fishery managers, the fishing industry, and the public that depleted fishery resources must be restored and healthy fisheries must be maintained and managed for greater efficiency.
Attain economic sustainability in fishing communities.	The rebuilding of overfished fisheries required under the Magnuson-Stevens Act will result in lower harvest levels, and therefore fewer fishing vessels and fishing-related jobs, and potentially an overall reduction in economic activity in many coastal communities. To minimize the economic impact of fisheries management decisions on communities, NOAA is working with other Federal, state, and local agencies to address these impacts on fishing communities through a variety of programs including loans, retraining, vessel and permit buyouts, and community planning.
Develop environmentally and economically sound marine aquaculture.	Sound marine aquaculture will enhance the Nation's ability to meet the growing domestic and global demand for seafood, as a growing number of wild stocks are overfished or fully utilized.

National Oceanic and Atmospheric Administration

Build sustainable fisheries (cont.)

• **Natural Resources**

Crosscutting Activities

- NOAA will focus on reducing overfishing and overcapitalization of U.S. fishery resources by improving stock assessment and prediction, improving essential fisheries habitat, and reducing fishing pressure, including downsizing of fishing fleets. The Department of Commerce, enlisting the support of key bureaus such as EDA, MBDA, and NIST, and other federal agencies, such as the U.S. Department of Agriculture, Small Business Administration, and the U.S. Department of Labor, will play a key role in mitigating the impact of these critical resource conservation decisions in the transition to economically sustainable communities.

External Factors

- Impact of national and/or economic conditions.

Program Evaluation Efforts

- Virtually every aspect of the National Marine Fisheries Service fisheries science program is peer-reviewed, either internally within NMFS or outside the agency, e.g., the National Academy of Sciences of the National Research Council and the National Science Foundation. NMFS also relies on extensive informal networks of university partnerships and laboratories throughout the Nation. Moreover, reviews often occur by opposing parties' scientists in the court system when fisheries management decisions are litigated.

Resource Requirements

$324 million

1,661 FTEs
Skills: Fishery Biologists, Fishery Economists

IT Requirements:

- *National Marine Fisheries Service Fishing Information Technology System: $25.3M

* NMFS Fishing Information Technology System provides information that is used to meet the data needs of the Build Sustainable Fisheries and Recover Protected Species teams.

National Oceanic and Atmospheric Administration

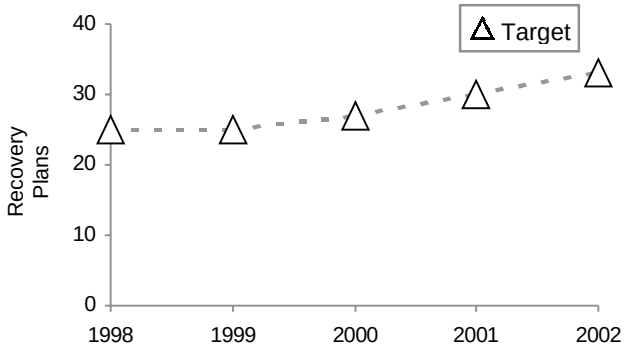
Recover protected species

Natural Resources

Rationale for/Comments on Performance Goal:

NOAA's overall objectives for recovering protected species are to prevent the extinction of protected species and to maintain the status of healthy species. NOAA measures its performance in meeting these objectives by focusing on the agency's ability to manage protected species through conservation programs and recovery plans, and through constant monitoring and research regarding the status of species and the stresses that affect their mortality.

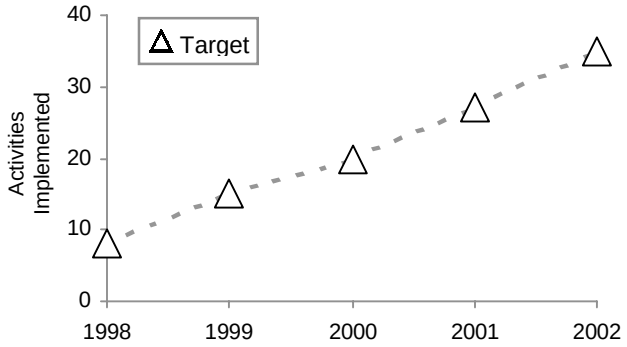
Measure: Number of recovery plans developed (cumulative)



Data Validation and Verification

Data Source:	NMFS
Frequency:	Annual
Baseline:	Annual progress is measured compared to the previous year.
Data storage:	NMFS Office of Protected Resources
Verification:	Audits and regular communication between field and headquarter offices regarding the status of recovery plans.
Comment:	Recovery plans for listed marine species, including Pacific salmon, are developed and implemented under the Endangered Species Act.

Measure: Number of recovery plans priority activities implemented (annual)



Data Validation and Verification

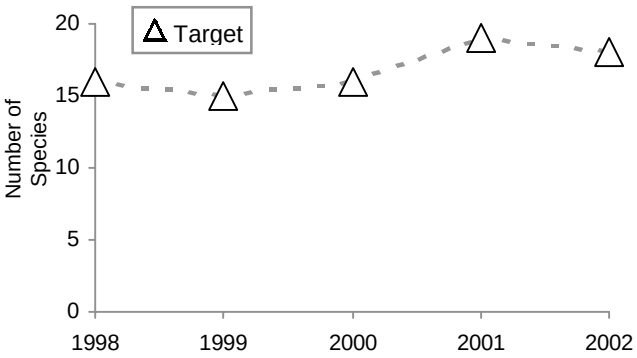
Data source:	NMFS
Frequency:	Annual
Baseline:	Annual progress is measured compared to the previous year.
Data storage:	NMFS Office of Protected Resources
Verification:	Audits. Internal peer-review within NOAA and external peer-review by regional fishery councils, the National Science Foundation, the National Academy of Sciences, and other organizations.
Comment:	Lowering mortality for marine species requires reducing incidental and direct takes, improving species habitat, decreasing negative interactions, and mitigating the effects of natural phenomena.

National Oceanic and Atmospheric Administration

Recover protected species (cont.)

Natural Resources

Measure: Number of species with status improved (annual)

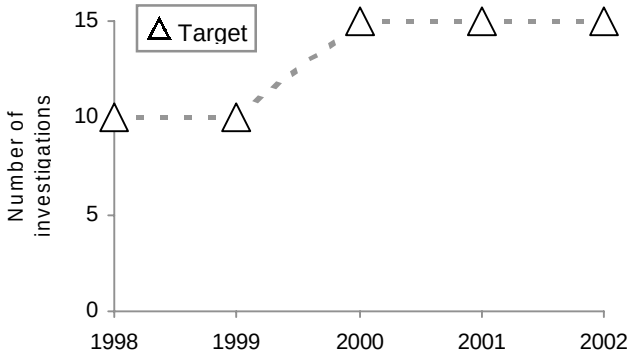


Data Validation and Verification

Data source: NMFS
Frequency: Annual
Baseline: Annual progress is measured compared to the previous year.
Data storage: NMFS Office of Protected Resources
Verification: Audits. Internal peer-review within NOAA and external peer-review by regional fishery councils, the National Science Foundation, the National Academy of Sciences, and other organizations.

Comment: Recovery plan activities are implemented through cooperative partnerships with other federal agencies, state, local, and tribal governments, and organizations including the National Fish and Wildlife Foundation.

Measure: Number of investigations of human-induced and other sources of mortality (annual)



Data Validation and Verification

Data source: NMFS
Frequency: Annual
Baseline: Annual progress is measured compared to the previous year.
Data storage: NMFS Office of Protected Resources
Verification: Audits. Internal peer-review within NOAA and external peer-review by regional fishery councils, the National Science Foundation, the National Academy of Sciences, and other organizations.

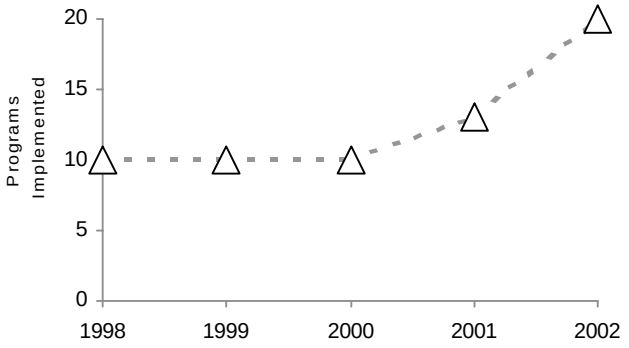
Comment: Lowering mortality for marine species requires the reduction of incidental and direct takes, improving species habitat, decreasing negative interactions, and mitigating the effects of natural phenomena.

National Oceanic and Atmospheric Administration

Recover protected species (cont.)

Natural Resources

Measure: Cooperative conservation programs implemented (cumulative)



Data Validation and Verification

Data source:	Cooperative agreements, Memoranda of Understanding and Memoranda of Agreement, between NMFS and other involved parties submitted to NOAA.
Frequency:	Annual
Baseline:	Annual progress is measured compared to the previous year.
Data storage:	NMFS Office of Protected Resources
Verification:	Audits and communication with each party involved in a cooperative conservation program.
Comment:	NOAA partners with public and private entities to implement conservation programs.

New Performance Measures

NOAA is currently revising the performance measures for Recover Protected Species as it transitions to new measures which will be used beginning in FY 2000. Through ongoing NMFS scientific research and workshops, quantitative measures are being developed which will establish the baseline from which program performance will be measured. Recover Protected Species performance will be measured by the results of NOAA's efforts to reduce the risk of extinction of protected species. The new performance measures will focus on reducing the probability of extinction for protected and candidate marine species, lowering mortality rates of marine stocks incidental to commercial fishing, and protecting and restoring priority biodiversity areas. Extensive consultation and input with the science community is being planned to assist NMFS in the development of the statistical models necessary to establish performance baselines.

National Oceanic and Atmospheric Administration

Recover protected species (cont.)

• Natural Resources

Means and Strategies

Means or Activity	Strategy or Rationale
Prevent extinction of protected species.	Marine resources contribute billions of dollars to the Nation's economy. However, many commercial and recreational activities contribute to stress on marine species and ecosystems, threatening their survival.
Maintain the status of healthy species.	Many populations of marine species are depleted or declining due to human activity, environmental variation, and other causes. Recovering protected species, and avoiding the further decline of others, will contribute to the improved overall health and understanding of marine ecosystems. Improved science will lead to better long-term conservation and management strategies.

Crosscutting Activities

- Over the past year, NOAA has developed innovative partnerships with the states of Maine, Washington, Oregon, and California to promote the recovery of listed and at-risk salmon and steelhead species. This approach has enabled NOAA to address a high-profile Presidential and Departmental priority in the most efficient, least disruptive way possible, limiting the number of listings while empowering state, local, tribal, and private partners with greater responsibility for the protection and recovery of these valuable species.

External Factors

- The impact of climate, biological, and other natural conditions affect NOAA's efforts to recover protected species and maintain the status of healthy species.

Program Evaluation Efforts

Evaluation efforts include peer-reviews of proposals, internal and external reviews of programs, and quarterly reviews of NOAA's overall performance in protected species recovery. Constituent input is an important part of the evaluation process and is solicited regularly through constituent workshops.

Resource Requirements

$104 Million

676 FTEs
Skills: Fishery Biologists, Ecologists

IT Requirements:

- * National Marine Fisheries Service Fishing Information Technology System: $25.3M

*NMFS Fishing Information Technology System provides information that is used to meet the data needs of the Recover Protected Species and Build Sustainable Fisheries teams.

National Oceanic and Atmospheric Administration

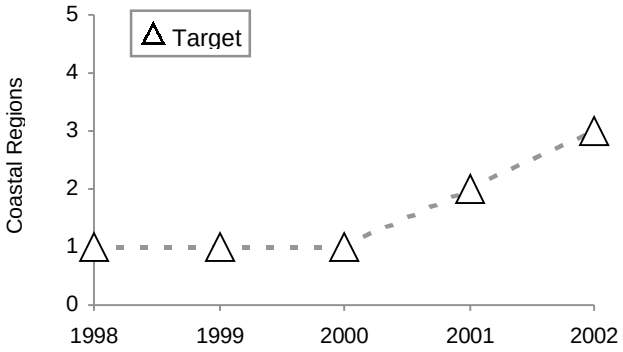
Sustain healthy coasts

• Natural Resources

Rationale for/Comments on Performance Goal:

Sustain Healthy Coasts is the most complex of the seven goals of NOAA's Strategic Plan, integrating activities across five of NOAA's six line and program offices – the National Ocean Service, the Office of Oceanic and Atmospheric Research (OAR), the National Marine Fisheries Service, the National Environmental Satellite, Data and Information Service, and the Office of Global Programs. The Sustain Healthy Coasts program is successful if coastal habitats and biodiversity are protected and restored, coastal water quality is improved and sustained, and coastal communities are planned, developed, and revitalized in sustainable ways.

Measure: Number of U.S. coastal regions with reduced introductions and impacts of nonindigenous species (total of 6 regions)



Data Validation and Verification

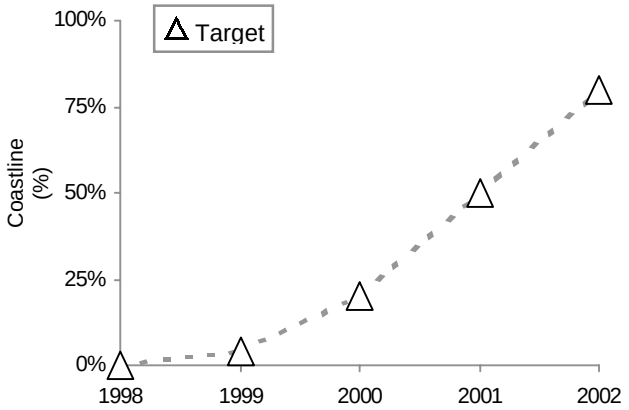
Target :	Reduced impacts in at least one region per year.
Data source:	NOAA Office of Oceanic and Atmospheric Research, U.S. Department of the Interior, and state agencies.
Frequency:	Annual
Baseline:	FY 1996 = 1
Data storage:	OAR will collect data, conduct assessments and store data
Verification:	Original research data verified through peer-review; OAR will obtain quality control data from other sources to ensure criteria are being met for inclusion in performance calculations.
Comment:	Reaching these targets will also depend on activities of other federal and state agencies with management responsibilities in this area.

National Oceanic and Atmospheric Administration

Sustain healthy coasts (cont.)

Natural Resources

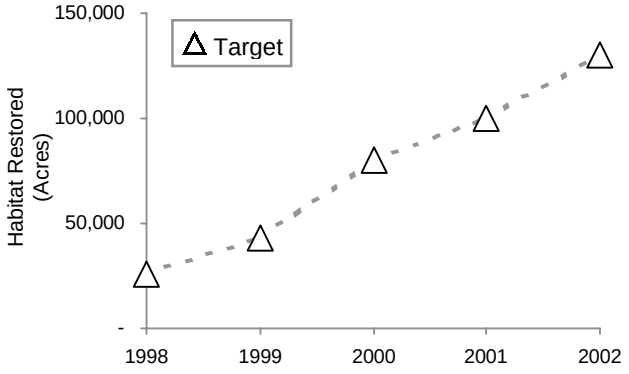
Measure: Percent of U.S. coastline with threats to habitat assessed and ranked



Data Validation and Verification

Data source:	National Marine Fisheries Service, Office of Habitat Conservation
Frequency:	Annual
Baseline:	FY 1998 > 0
Data storage:	NMFS/Habitat Office will collect information, conduct assessments, and store data.
Verification:	NMFS/Habitat Office will collect quality control data to ensure criteria are being met by data used to calculate performance.

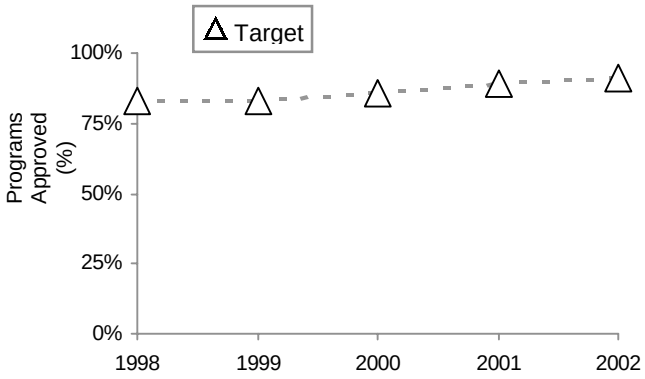
Measure: Number of acres of coastal habitat restored (cumulative)



Data Validation and Verification

Data source:	Primary source is National Marine Fisheries Service, Office of Habitat Conservation. Other input from National Ocean Service.
Frequency:	Annual
Baseline:	FY 1994
Data storage:	NMFS/Habitat Office will collect information, conduct assessments, and store data.
Verification:	NMFS/Habitat Office will collect quality control data to ensure criteria are being met by data used to calculate performance.

Measure: Percent state coastal nonpoint pollution control programs approved (% of 35 coastal states)



Data Validation and Verification

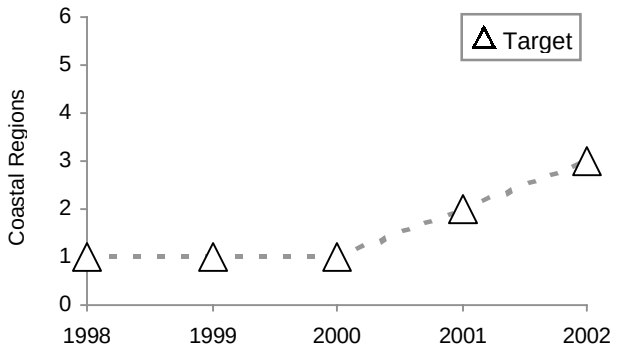
Data source:	National Ocean Service, Office of Ocean and Coastal Resource Management (OCRM)
Frequency:	Annual
Baseline:	FY 1996 = 0
Data storage:	OCRM will collect information, conduct assessments, and store data.
Verification:	OCRM will verify information from states through formal review and approval of state plans.

National Oceanic and Atmospheric Administration

Sustain healthy coasts (cont.)

• Natural Resources

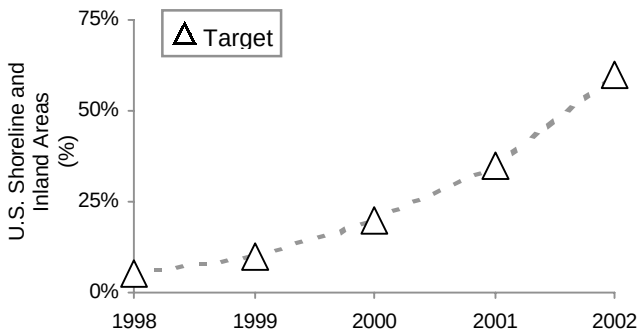
Measure: Number of U.S. coastal regions with systems to predict and reduce impacts of harmful algal blooms (total of 6)



Data Validation and Verification

Data source: National Ocean Service, other federal and state agencies.
Frequency: Annual
Baseline: FY 1998 = 0
Data storage: NOS will collect information, conduct assessments, and store data.
Verification: Verification includes peer-review of research and testing of models used in the prediction systems.
Comment: Accuracy and content of predictions will depend on information and activities of other federal and state agencies with responsibilities in this area.

Measure: Percent of U.S. shoreline and inland areas with improved ability to identify extent and severity of coastal hazards



Data Validation and Verification

Data source: National Ocean Service, other federal and state agencies.
Frequency: Annual
Baseline: FY 1998
Data storage: NOS will collect information, conduct assessments, and store data.
Verification: All data used in coastal hazard risk assessments is quality controlled; risk assessment models are tested for accuracy and coverage (amount of shore line covered).
Comment: This measure tracks development and implementation of "coastal hazard risk atlases" as an indicator of improved ability to identify the extent and severity of coastal hazards. Reaching these targets will also depend on activities of other federal and state agencies with management responsibilities in this area.

National Oceanic and Atmospheric Administration

Sustain healthy coasts (cont.)

• Natural Resources

Means and Strategies

Means or Activity	Strategy or Rationale
Protect, conserve, and restore coastal habitats and their biodiversity.	Coastal habitats produce many of the Nation's commercial and recreational fisheries. They also are the foundation for most coastal tourism and recreation industries that contribute over $58 billion annually to the U.S. economy. Protecting and restoring coastal habitats and their biodiversity is an investment in the long-term sustainability of the Nation's coastal resources and the communities and economies that depend on them.
Promote clean coastal waters to sustain living marine resources and ensure safe recreation, healthy seafood, and economic vitality.	Clean water is essential for productive coastal ecosystems and sustainable coastal communities. Contaminated coastal waters threaten living resources, human health, and economic stability. The primary source of coastal water pollution is run-off from urban and agricultural areas that washes nutrients and other contaminants into coastal waters.
Foster well-planned and revitalized coastal communities that sustain coastal economies, are compatible with the natural environment, minimize the risks from nature's hazards, and provide access to coastal resources for public use and enjoyment.	The U.S. economy is increasingly dependent on coastal resources. One in every six jobs is marine-related and one-third of the Nation's gross domestic product is produced in coastal areas through fishing, tourism, recreation, and other industries. These industries depend on healthy coastal resources to survive. Effective planning and revitalization of coastal communities is essential to sustainable management of both natural areas and the coastal communities that depend on them.

National Oceanic and Atmospheric Administration

Sustain healthy coasts (cont.)

• Natural Resources

Crosscutting Activities

- NOAA has leveraged its resources through a variety of effective international, interagency, state, local, private-sector, and other partnerships to develop world-class coastal stewardship capabilities. These partnerships are essential to effectively integrate coastal science, assessment, monitoring, education, and management activities.
- In FY 2000, for example, SHC will work with other federal agencies, states, and academic partners to initiate new research necessary to sustainably manage the Nation's coastal ecosystems. This research will provide managers and decision-makers with information, solutions, and technologies as part of an interagency initiative developed by the *National Science and Technology Council's Committee on Environment and Natural Resources.*
- Through SHC, NOAA provides technical and scientific assistance to a variety of partners involved in protection, monitoring, and restoration of coastal resources. For example, NOAA provides critical information to the U.S. Coast Guard to help the Coast Guard respond to approximately 70 serious oil and chemical spills every year. Through SHC, NOAA is also working closely with other agencies, DOC bureaus, states, local governments, and industry on important crosscutting activities such as reducing the risks and impacts of natural hazards, protecting and restoring essential fish habitats, reducing run-off pollution, forecasting and preventing harmful algal blooms, and exploring the deep ocean and new uses of the ocean's rich biodiversity.

Program Evaluation Efforts

NOAA's goal to sustain healthy coasts is the product of over 25 years of experience helping to understand and manage coastal resources so that their ecological and economic productivity can be fully realized and sustained. Evaluation efforts exist at a variety of levels, from peer-reviews of proposals and evaluations of individual projects, to internal and external reviews of entire programs and quarterly reviews of NOAA's overall performance in coastal stewardship areas. Constituent input is an important part of the evaluation process and is solicited regularly through constituent workshops.

Resource Requirements

$218 Million

608 FTEs
Skills: Marine Ecologists, Fisheries Biologists, Environmental Educators, Land Use Planners, Toxicologists, Chemists, Engineers, Oceanographers

IT Requirements: Requirements are met through different NOAA Line Office technologies. Sustain Healthy Coasts does not rely on any one major IT system.

Patent and Trademark Office

- Broadening Trade
- Performance Based Organization

Enabling Legislation

The foundation for the American Patent System was a law enacted in 1790 based on Article 1, Section 8, Clause 8 of the Constitution whereby Congress has the power "to promote the progress of science and useful arts by securing for limited times to authors and inventors the exclusive right to their respective writings and discoveries." The current trademark system is grounded in the Trademark Act of 1946, although the first American federal trademark legislation was passed in 1870. Statutes for PTO are embodied in Titles 15 (Trademarks) and 35 (Patents) of the U.S. Code.

Bureau Context

As the steward for the Nation's patent and trademark registration system, PTO has maintained its basic role of granting patents and registering trademarks. In this role, PTO operates in a dual management capacity: like a business, totally reliant on its own generated income and accountable for the judicious use of revenue from its fee-paying customers; and as a federal agency, accountable for maintaining and strengthening the foundation and integrity of the Nation's patent grant and trademark registration systems.

As a fee-for-service agency, PTO expects to receive 559,000 patent and trademark applications and to issue 155,000 patents and register 141,000 trademarks in fiscal year 2000.

PTO's mission is to:

- Administer the laws relevant to granting patents and registering trademarks
- Advise the Secretary of Commerce, the President of the United States, and the Administration on patent, trademark, and copyright protection
- Advise the Secretary of Commerce, the President of the United States, and the Administration on the trade-related aspects of intellectual property

To fulfill the Department's mission, strategic themes and initiatives, PTO works with other Commerce bureaus. PTO's contributions to the DOC mission and themes are listed by major business area in the chart that follows.

Department Theme	PTO Strategic Goal	Organization	Performance Goal
I: Economic Infrastructure	Play a leadership role in intellectual property rights policy, including trade-related intellectual property issues for which we have responsibility.	Policy Function	To help protect, promote and expand intellectual property rights systems throughout the United States and abroad.
III: Resources and Assets	Provide our customers with the highest level of quality and service in all aspects of PTO operations.	Patent Business	To grant exclusive rights, for limited times, to inventors for their discoveries through the issuance of high quality and timely patents.
III: Resources and Assets	Provide our customers with the highest level of quality and service in all aspects of PTO operations.	Trademark Business	To enhance trademark protection through the registration of high quality and timely trademarks.
II: Science and Technology	Provide our customers with the highest level of quality and service in all aspects of PTO operations.	Information Dissemination Business	To promote awareness of, and access to, patent and trademark information.

Patent and Trademark Office

- **Broadening Trade**
- **Performance Based Organization**

As one of Vice President Gore's High-Impact Agencies (HIA); the PTO has committed to high-impact performance goals that are customer-oriented and results-driven. HIA performance goals are supported in our FY 1999 and FY 2000 Corporate Plans (budget requests). These commitments began in FY 1999 and will reach full completion in FY 2003. HIA goals are as follows:

High Impact Agency (HIA) Goal 1
Reduce the PTO's trademark processing time to three months to first action and offer electronic filing capabilities to our customers in fiscal year 1999. Place on PTO's web site an electronic trademark application and provide trademark customers the option to file applications and related papers electronically.

HIA Goal 2
Test reengineered patent examination processes and automated systems in 1999; Deploy electronic filing of patent applications in 2003; Reduce PTO processing time for inventions to 12 months in 2003 (and for 75 percent of all inventions in 1999).

HIA Goal 3
Partner with the World Intellectual Property Organization (WIPO) to achieve electronic filing of Patent Cooperation Treaty (PCT) applications in 1999 and, in 2000, electronically receive and process PCT applications at the PTO.

HIA Goal 4
Enable customers to use the Internet to request the status of their patent and trademark applications, to place orders and receive products, and to access patent and trademark data in 1999.

HIA Goal 5
Establish a fee schedule that encourages participation in the patent and trademark systems and aligns with costs beginning 1999 through 2003.

HIA Goal 6
Offer PTO employees innovative training programs at PTO University and work-at-home opportunities beginning 1999 through 2003.

Priorities and Initiatives

Broadening Trade—PTO will increase its technical assistance efforts to foreign (especially developing) countries. These efforts focus on the preparation of laws and regulations regarding intellectual property.

Performance-Based Organization—PTO continues to restructure its resource management and core program processes and systems to support a results-oriented and customer-driven environment.

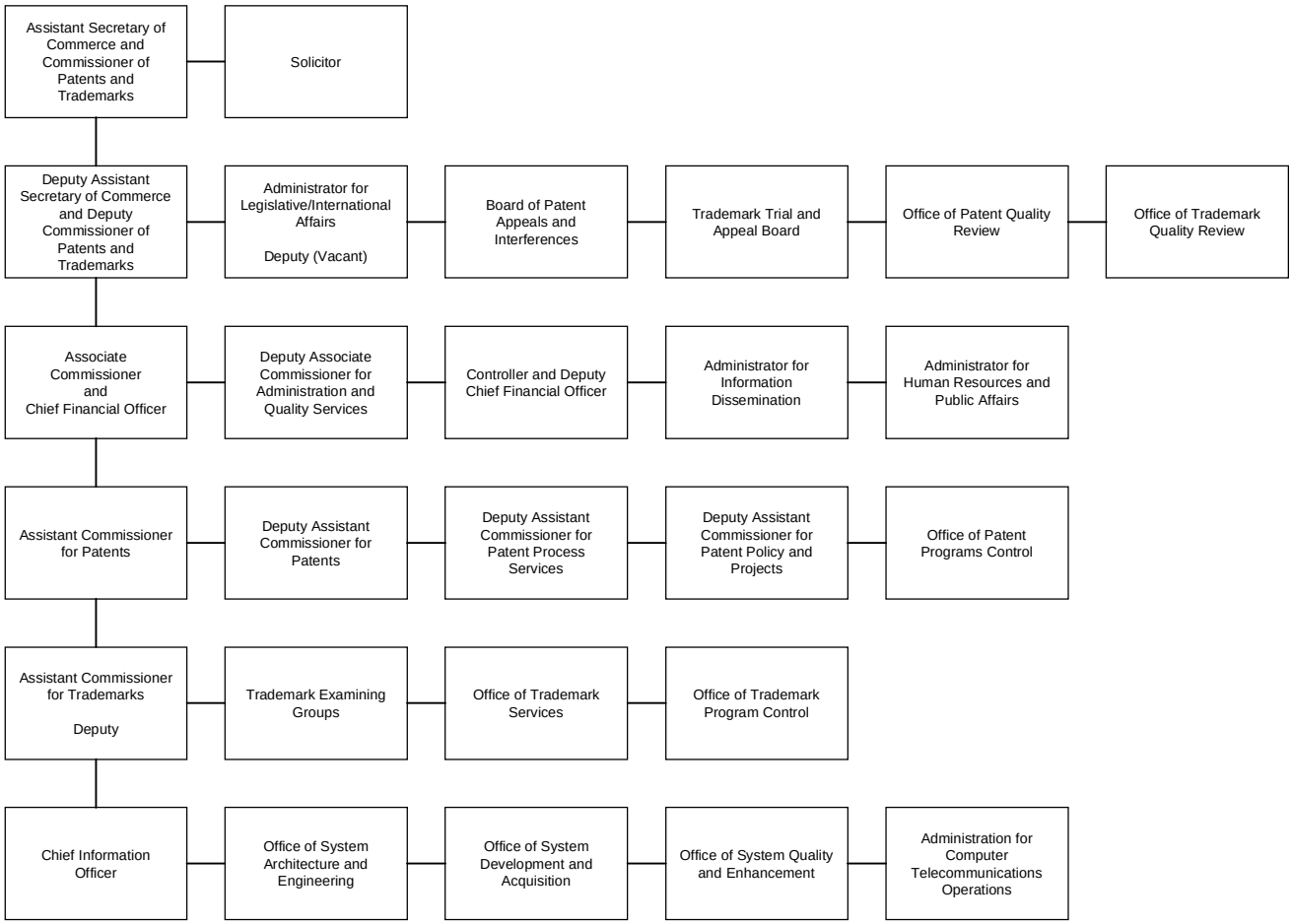
Digital Department—PTO will automate patent and trademark activities and offer access via the Internet to expand the range of electronic options offered to customers.

Clean Financial Audits—PTO continues to enhance internal resource management controls and the integrity of automated financial systems.

Patent and Trademark Office

- **Broadening Trade**
- **Performance Based Organization**

Organizational Structure



Patent and Trademark Office

- **Broadening Trade**
- **Performance Based Organization**

Measures and Targets Summary

Goal: Help protect, promote and expand intellectual property rights systems throughout the United States and abroad

Measure	FY 2000 Target
Number of technical assistance activities completed	80

Goal: Grant exclusive rights, for limited times, to inventors for their discoveries

Average cycle time of original inventions processed (months)	10.2
Percent of customers satisfied	70

Goal: Enhance trademark protection

Pendency time to registration (months)	3.0 to first action 13.8 to disposal/ registration
Percent of customers satisfied	80

Goal: Promote awareness of, and provide effective access to, patent and trademark information

Percent of key products and services meeting schedules or cycle time of standards	80

Resource Requirements Summary

$922.0 Million (including $20 million to be transferred from OPM for the post-retirement health and life insurance costs for PTO employees)

6801 FTEs - Engineers, Scientists
Skills: Expertise in intellectual property law and appropriate scientific and technical disciplines, Computer Technology, Knowledge of Global Intellectual Property Rights Systems and Policies

IT Requirements:
$155.2 Million
Electronic Commerce; Digital Department; Electronic Filing; Performance-Based Organization; Electronic Workplace; Clinger-Cohen Act; Capital Programming

Patent and Trademark Office

Help protect, promote, and expand intellectual property rights systems throughout the United States and abroad

- **Broadening Trade**
- **Performance Based Organization**

Rationale for/Comments on Performance Goal:

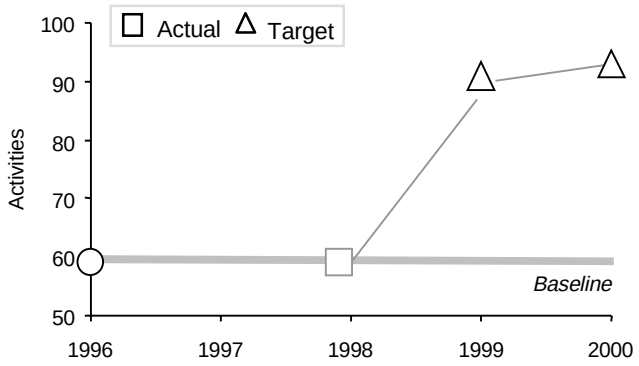
Technical assistance is one method of promoting U.S. competitiveness in the global marketplace. Assistance also strengthens and safeguards the Nation's economic infrastructure by indirectly promoting and shaping intellectual property throughout the world. PTO provides seminars and technical training to officials in countries on reforming their intellectual property structures. As part of the Broadening Trade initiative, PTO will increase its assistance efforts in Africa.

To achieve HIA Goal 3 and the *Digital Department* initiative, the PTO will work with the WIPO to achieve electronic filing of PCT applications. The PTO will also electronically receive and process PCT applications at the PTO.

PTO will meet its performance target by enhancing its activities to include compliance with the Agreement on Trade-Related Aspects of Intellectual Property's (TRIPS) Article 67. Article 67 requires developed country members of the World Trade Organization to provide technical assistance to developing and least-developed countries in preparing laws and regulations on the protection and enforcement of intellectual property.

PTO will continue working with the World Intellectual Property Organization (WIPO) to develop activities that will incorporate information technology in the administration of intellectual property systems.

Measure: Number of technical assistance activities completed



Data Validation and Verification

Target:	93 (FY 2000)
Source:	Records maintained by the PTO's Office of Legislation and International Affairs (OLIA)
Frequency:	Annual
Data storage:	OLIA's records
Verification:	Reported in the Chief Financial Officer's Report – an audited document

Patent and Trademark Office

Help protect, promote, and expand intellectual property rights systems throughout the United States and abroad (cont.)

- **Broadening Trade**
- **Performance Based Organization**

Means and Strategies

Partnerships and negotiations with other countries' patent and trademark organizations directly support this goal. Increasing technical assistance to developing countries will facilitate these negotiations and partnerships.

Crosscutting Activities

- *Department of State, the Office of the United States Trade Representative (USTR), and the International Trade Administration (ITA):* The PTO collaborates with these agencies in the formulation and negotiation of proposals for the protection of intellectual property, both at home and abroad, and collaborates with other agencies in administering the patent and trademark laws.
- *The Office of the United States Trade Representative (USTR):* PTO also advises the USTR on unfair foreign trade practices for intellectual property (Section 301).

External Factors

- PTO relies on the expressed interest of officials from foreign countries to take advantage of technical assistance related to intellectual property.

Resource Requirements

$21.9 Million

100 FTEs
Skills: Expertise in patent law and multiple scientific and technical disciplines, Computer Technology, Knowledge of Global Intellectual Property Rights Systems and Policies, Global Intellectual Property Systems and Policies

IT Requirements: $3.7 Million
Wire the World; Share of Enterprise Infrastructure

Patent and Trademark Office

Grant exclusive rights, for limited times, to inventors for their discoveries

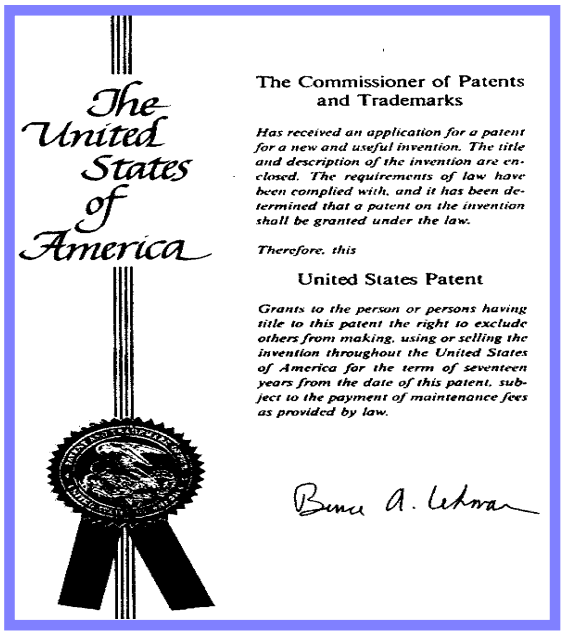
- Broadening Trade
- Performance Based Organization

Rationale for/Comments on Performance Goal:

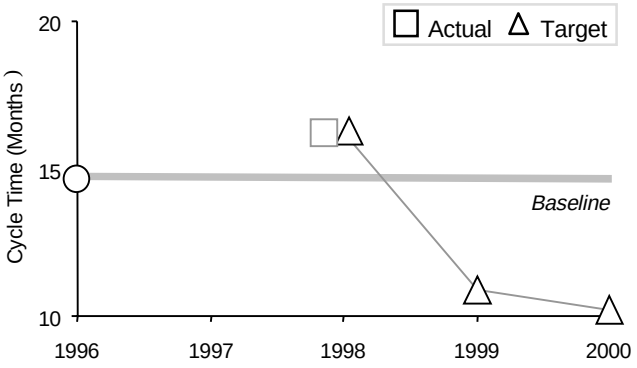
A PTO decision on patentability must be timely and of high quality, because it influences investment, development and marketing strategies, and eventually, the financial viability of U.S. businesses.

In support of the *Digital Department* initiative, the Patent Business will accelerate electronic processing of patent applications.

To achieve HIA Goals 2, 5, and 6 the PTO will test reengineered patent examination processes and automated systems; deploy electronic processing of patent applications; reduce patent processing time for inventions; and establish a fee schedule that encourages participation in the patent system while aligning with costs. Finally, PTO will offer Patent employees innovative training programs.



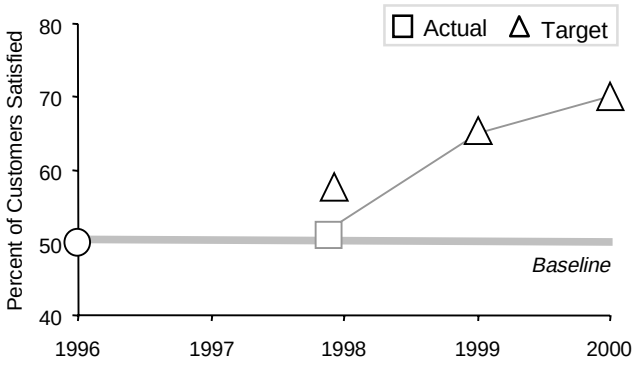
Measure: Cycle time of inventions processed



Data Validation and Verification

Target:	10.2 months (FY 2000) average
Source:	Automated systems (Patent Application Locator and Monitoring – PALM, and the Federal Financial Systems – FFS).
Frequency:	Input—Daily; Reporting—Monthly
Data storage:	PALM, Automated systems, reports.
Verification:	Reported in the Chief Financial Officer's Report – an audited document.

Measure: Percentage of customers satisfied



Data Validation and Verification

Target:	70% (FY 1999) Customer satisfaction surveys are conducted annually.
Source:	Customer surveys.
Frequency:	Varied. Surveys are currently conducted and results reported every two years. Beginning FY 1999, customer satisfaction surveys will be conducted every year.
Data storage:	PALM, Automated systems, reports.
Verification:	Reported in the Chief Financial Officer's Report – an audited document.

Patent and Trademark Office

Grant exclusive rights, for limited times, to inventors for their discoveries (cont.)

- Broadening Trade
- Performance Based Organization

Means and Strategies

- Increase the patent examining staff by 394 and reduce cycle time by 2.1 months in each subsequent year.
- Implement process changes to accommodate an increase in the number of patent disposals (234,000) and the number of issued patents (155,000). Incorporate new work roles, responsibilities and relationships and test reengineered processes into the production pipeline.
- Continue to deploy automated systems. Continue deploying a network to connect the European Patent Office, Japanese Patent Office, PTO and World Intellectual Property Organization.
- Propose revised fee schedule in the Federal Register.
- Secure customer feedback (written comment or open meetings).
- Address customer comments.
- Publish final rules and, if necessary, secure fee legislation.

Crosscutting Activities

- *Departments of Agriculture, Justice and State*: The Patent Business partners with these agencies in the formulation of intellectual property proposals.
- *USAID:* The Patent Business partners with USAID to improve systems for effectively granting and protecting intellectual property rights.
- *Departments of Defense and Energy and NASA:* The Patent Business partners with these agencies in handling patent applications having national security implications.
- *Department of Health and Human Services*: The Patent Business partners with HHS in handling both AIDS-related and recombinant DNA information.

External Factors

- The Patent Business' workload is related to national economies and the businesses that operate within those economies as almost 50% of patent applications come from overseas. Changes to the American or foreign economies could have an impact on incoming work – either negatively or positively. For example, the PTO currently is watching the economies of the Asian countries to determine potential impact on workload and revenue.

Resource Requirements

$713.5 Million

5391 FTEs: Engineers, Scientists
Skills: Expertise in patent law and multiple scientific and technical disciplines, Computer Technology, Knowledge of Global Intellectual Property Rights Systems and Policies, Biotechnology, Computer Technology

IT Requirements: $119.6 Million
Patent Image Capturing Systems; Application Capture and Review; Electronic Application Management; Electronic Filing System; Patent Global Information Network; International Priority Document Exchange; Share of Enterprise Infrastructure

Patent and Trademark Office

Enhance trademark protection

· **Performance Based Organization**

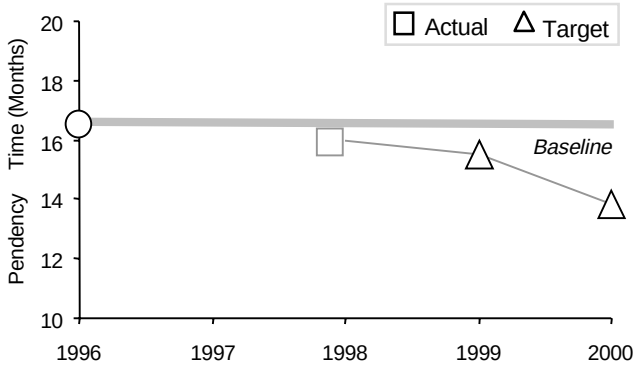
Rationale for/Comments on Performance Goal:

PTO will maximize the business potential of trademarks and contain the cost of trademark application processing.

In support of the *Digital Department* initiative the Trademark Business will enhance communication with customers and employees by transforming trademark processing into a fully electronic operation.

To achieve HIA Goals 1, 5, and 6, PTO will reduce trademark processing time, and provide trademark customers the option to file applications and related papers electronically by placing an electronic trademark application on the PTO web site. Finally, PTO will establish a fee schedule that encourages participation in the trademark system, and aligns with cost and will offer employees innovative training programs and work-at-home opportunities.

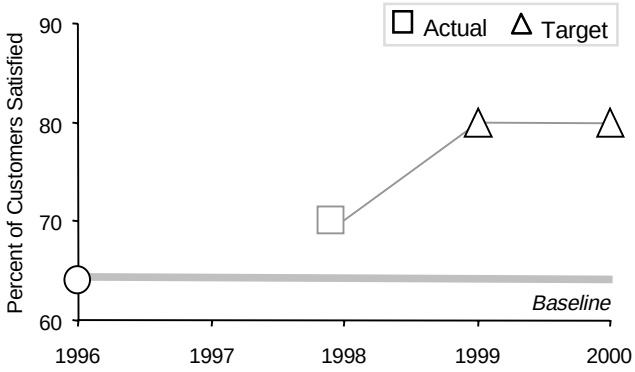
Measure: Pendency time to disposal/ registration



Data Validation and Verification

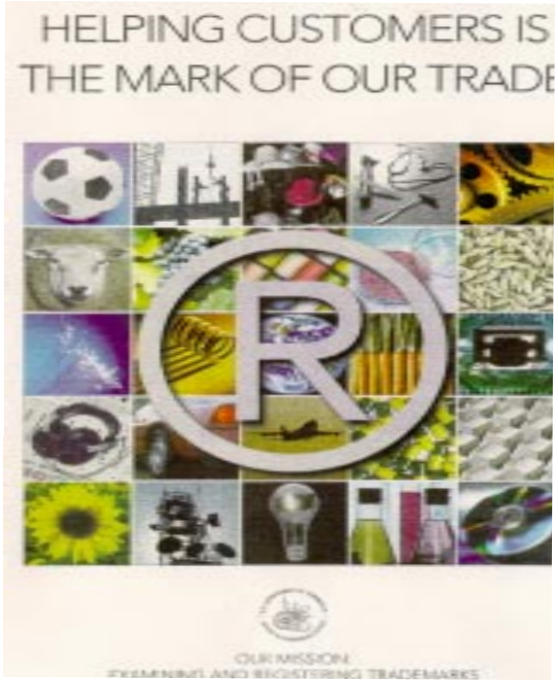
Target:	13.8 months (FY 2000) (3.0 months to first action)
Source:	Automated systems (Trademark Application Monitoring – TRAM, and the Federal Financial Systems – FFS).
Frequency:	Varied. Input—Daily; Reported—Monthly.
Data storage:	TRAM/Trademark Information System
Verification:	Reported in the Chief Financial Officer's Report – an audited document.

Measure: Percentage of customers satisfied



Data Validation and Verification

Target:	80% (FY 2000) Customer satisfaction surveys are conducted annually.
Source:	Customer surveys.
Frequency:	Varied. Surveys are currently conducted and results reported every two years. Beginning FY 1999, customer satisfaction surveys will be conducted every year.
Data storage:	TRAM/Trademark Information System
Verification:	Reported in the Chief Financial Officer's Report – an audited document.



Patent and Trademark Office

Enhance trademark protection (cont.)

Performance Based Organization

Means and Strategies

- Continue to train and educate newly hired Trademark examining attorneys and thereby maintain pendency to first action at 3 months.
- Continue to leverage information technology to automate the processes in increments that deliver the highest return on investment.
- Be prepared to implement the Trademark Law Treaty by October 1999.

Crosscutting Activities

- *U.S. Customs Service:* The Trademark Business partners with the Department of Treasury's U.S. Customs Service regarding counterfeit goods or services.

External Factors

- The Trademark Business' workload is related to national economies and the businesses that operate within those economies. Changes to the American or foreign economies could have an impact on incoming work – either negatively or positively.
- Several significant pieces of legislation are pending in the Congress that, if enacted, could cause the Trademark Business to revamp its strategic agenda for the next several years.

Resource Requirements

$109.3 Million

1047 FTE
Skills: Expertise in trademark law, Computer Technology, Knowledge of Global Intellectual Property Rights Systems and Policies, Biotechnology, and toehr actively developing areas of science and technology, as appropriate and as shaped by customer demand

IT Requirements: $23.4 Million
Trademark Data Entry and Update System (TRADE UPS); Trademark Image Capture and Retrieval System (TICRS); Trademark Photocomp; Trademark Reporting and Monitoring (TRAM++) System; Trademark Information System (TIS); Trademark Electronic Application System; Share of Enterprise Infrastructure

Patent and Trademark Office

Promote awareness of, and provide effective access to, patent and trademark information

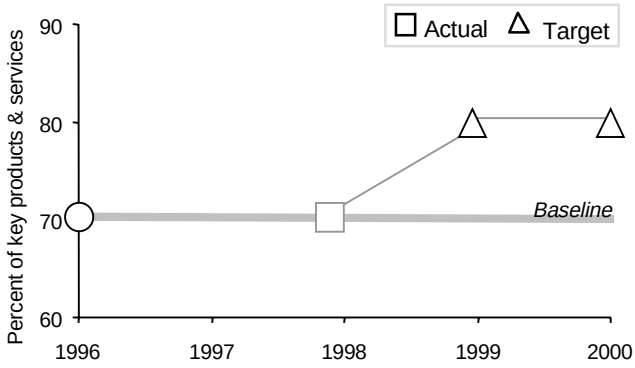
Rationale for/Comments on Performance Goal:

Timely availability of patent and trademark information is critical to the user community.

To support the *Digital Department* initiative, the Information Dissemination Business will enable customers to use the Internet to request the status of their patent and trademark applications, to place orders and receive products, and to access patent and trademark data.

To achieve HIA Goals 4, 5, and 6, PTO will offer electronic accessibility to customers to check application status, place orders and receive products via the Internet. The PTO will also offer employees innovative training programs and will establish a fee schedule that encourages participation in the patent and trademark systems and aligns with cost.

Measure: Percent key products and services meeting schedules or cycle time of standards



Data Validation and Verification

Target:	80 (FY 2000)
Source:	Internal IDO records; automated systems (the Order Entry Management System, and the Patent and Trademark System; customer surveys.
Frequency:	Quarterly
Data storage:	TRAM/TIS, Automated systems, reports.
Verification:	Reported in the Chief Financial Officer's Report – an audited document.

Means and Strategies

- Begin delivering general patent and trademark information and bulk data products via the Internet.
- Begin responding to customer inquiries via Internet e-mail.

Patent and Trademark Office

Promote awareness of, and provide effective access to, patent and trademark information (cont.)

Crosscutting Activities

- *Bureau of Census*: The Information Dissemination Business works with the Census Bureau to provide an annual report on patent statistics for the Statistical Abstract of the United States.
- *Government Printing Office (GPO):* GPO replicates PTO's CD-ROM products and makes them available to their depository libraries.
- *National Science Foundation (NSF):* PTO partners with NSF on the Report to the President on Science and Engineering Indicators.
- *U.S. Customs Service*: PTO provides Customs with CD-ROMs of trademark information.

External Factors

- The Information Dissemination Business (IDB) responds to customer demands for products and services. Growing interest and use of the patent and trademark systems continue to increase the demand for products and services. To meet the challenge of delivering intellectual property information when, where and in the format needed by customers, the IDO Business must offer its varied customer groups a diverse product portfolio.

Resource Requirements

$57.3 Million

263 FTE
Skills: Expertise in trademark law, Computer Technology, Knowledge of Global Intellectual Property Rights Systems and Policies, and other actively developing areas of science and technology, as appropriate and as shaped by customer demand

IT Requirements: $8.5 Million
Increased Internet Access by Customers to PTO's products and services and data; Share of Enterprise Infrastructure

Technology Administration

- Technology Infrastructure
- Broadening Trade
- Critical Infrastructure

Enabling Legislation

The Technology Administration (TA) comprises the Office of the Under Secretary and Office of Technology Policy (US/OTP), the National Institute of Standards and Technology (NIST), and the National Technical Information Service (NTIS).

US/OTP operates under the authority of 15 U.S.C. 3704, which establishes the positions of Under Secretary for Technology and Assistant Secretary for Technology Policy and provides the basic authority for preparing technology policy analyses, industry studies, policy experiments, and associated reports.

NIST operates under the authority of the National Institute of Standards and Technology Act (15 U.S.C. 271), which modifies The Organic Act that created the National Bureau of Standards (NBS) in 1901. Several important legislative changes were adopted in 1988. In addition to renaming NBS as NIST, the changes include the establishment of Regional Centers for the Transfer of Manufacturing Technology (15 U.S.C. 278k) and the establishment of the Advanced Technology Program (15 U.S.C. 278n). Separately, the National Quality Program was established and its functions assigned to NIST by the Malcolm Baldrige National Quality Improvement Act of 1987 (15 U.S.C. 3711a).

NTIS operates under the authority of 15 U.S.C. 3704b, which authorizes NTIS to establish and maintain a permanent repository of non-classified scientific, technical, and engineering information; to make selected bibliographic information products available to depository libraries; to collect, translate, and disseminate unclassified foreign scientific, technical, and engineering information; to implement new methods or media for the dissemination of scientific, technical, and engineering information; and to maintain the responsibilities enacted in 1950 (at 15 U.S.C. 1151).

Bureau Context

The Technology Administration's mission is to work with U.S. industry to maximize technology's contribution to U.S. economic growth by maintaining and improving key components of the Nation's technological infrastructure; fostering the development, diffusion, and adoption of new technologies and leading business practices; creating a business and policy environment conducive to innovation; and disseminating technical information.

TA is an integral part of the Department of Commerce team. **In pursuing its mission and responsibilities, TA assists the Department in building for the future and promoting U.S. competitiveness in the global marketplace by strengthening and safeguarding the Nation's economic infrastructure, as well as by providing cutting-edge science and technology and a world-class information base.**

Priorities and Initiatives

Broadening Trade – TA continues to help stimulate technological innovation and determine measurements and standards to improve the Nation's competitive base and expand trade opportunities.

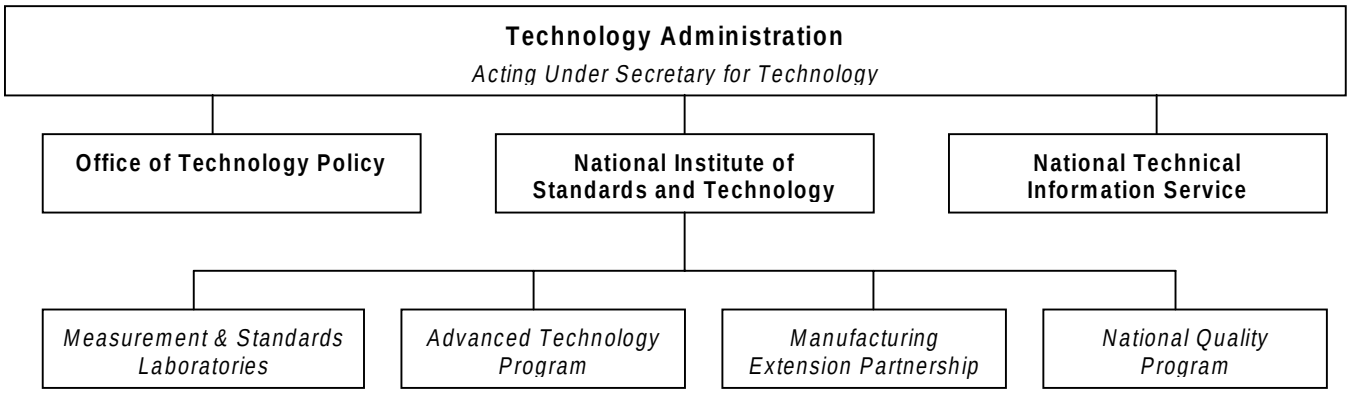
Technology Infrastructure – By seeking to improve the quality of science education, TA supports the initiative to create a technology- and knowledge-based society.

Critical Infrastructure Program - TA supports the national effort to assure the security of the increasingly vulnerable and interconnected infrastructures of our nation.

Technology Administration

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

Organizational Structure



Technology Administration

- Technology Infrastructure
- Broadening Trade
- Critical Infrastructure

Measures and Targets Summary

Measure	FY 2000 Target
Goal: Assure and improve measurements and standards*	
Standard reference materials available	1,330
Standard reference data titles available	64
Number of items calibrated	3,250
Technical publications	2,150
Goal: Stimulate advanced technologies	
Cumulative number of technologies under commercialization	180
Cumulative number of patents filed	900
Cumulative number of publications	690
Goal: Assist small manufacturers	
Increased sales attributed to MEP assistance	$520 Million
Labor & material savings attributed to MEP assistance	$59 Million
Capital investment attributed to MEP assistance	$379 Million
Inventory savings attributed to MEP assistance	$75 Million
Goal: Promote performance and quality management	
Number of applications per year to MBNQA and Baldrige-based state quality awards	1,395
Goal: Analyze and develop technology policies	
Reports published annually	5
Goal: Collect and disseminate information	
Number of items in archive	3.0 Million
Documents reproduced from electronic media	0.29 Million

* In addition to the above measures and targets, Annual peer review of the technical quality and merit of the NIST MSL, conducted by the NRC

Technology Administration

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

Resource Requirements Summary

$909,054 Thousand

3,653 FTE

$63,918 Thousand

TA - National Institute of Standards & Technology

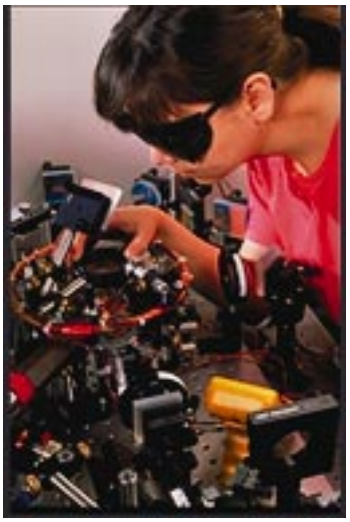
Assure and improve measurements and standards

- Technology Infrastructure
- Broadening Trade
- Critical Infrastructure

Measurement and Standards Laboratories: Provide technical leadership for the Nation's measurement and standards infrastructure, and assure the availability of essential reference data and measurement capabilities.

Rationale for / Comments on Performance Goal:

The NIST *Measurement and Standards Laboratories* (MSL) develop and deliver measurement techniques, reference data, test methods, standards, and other types of infrastructural technologies and services that provide a foundation for industry in all stages of commerce: research, development, testing, production, and marketing. NIST laboratories also support U.S. firms in the global marketplace by working to eliminate trade barriers associated with different national standards, testing, and certification requirements.



Since its establishment in 1901 as the National Bureau of Standards, NIST has collaborated closely with industry to anticipate and address the Nation's measurement, standards, and technology needs. NIST's extensive and diverse interactions with industry provide an important source of information about the quality, direction, and future demand for NIST products and services.

The NIST MSL supports three initiatives. In the trade arena, measurements and standards facilitate not only domestic commerce but also international trade. In FY 2000, NIST will expand both its international standards program to help ensure open trade (e.g., through the elimination of standards as a non-tariff trade barrier) and its technical program to support changing U.S. industries (i.e., through the Critical Infrastructure Program initiative).

NIST also will seek to improve the quality of science education—a critical element in preparing communities for a technology-based society.

NIST evaluates its performance and plans its work in part through direct customer feedback, but also through three distinct evaluation mechanisms: peer review and other forms of external assessments; economic impact studies; and quantitative output tracking. Each of NIST's programs uses a different mix of these three evaluation mechanisms, tailored to each program's distinct goals, outputs, and management needs. Taken alone, no individual measurement mechanism provides a singularly robust and comprehensive source of performance evaluation data. Taken together, however, all three evaluation mechanisms—combined with continual feedback from customers—collectively provide NIST management as well as external stakeholders with a highly detailed, rich and reliable set of performance data encompassing NIST's strategic goals.

TA - National Institute of Standards & Technology

Assure and improve measurements and standards (cont.)

- Technology Infrastructure
- Broadening Trade
- Critical Infrastructure

Measure: Qualitative assessment and performance evaluation using a peer review process

Data Validation and Verification

Data collection:	NRC Board on Assessment panels observe and analyze each MSL lab.
Frequency:	Annual
Data storage:	NRC
Verification:	NRC independence and high technical capability; internal NRC quality controls.
Comments:	Validity limitations are those intrinsic to peer review: panel judgments are not quantifiable; assessments are highly contextual and detailed; findings are not cumulative.

Since 1959 the NIST Measurement and Standards Laboratories have been reviewed annually by the National Research Council. The current NRC Board on Assessment of NIST Programs is composed of approximately 150 scientists and engineers, organized into seven panels (one for each of the seven NIST laboratories) plus two sub-panels for specialized programs. Panel reviews are reported at the Division level (the major organizational unit for the laboratories), and build upon assessments of research processes at the project and program levels.

The NRC Board on Assessment review is independent, technically sophisticated, and extensive. Each panel conducts a two- to three-day on-site review of an individual laboratory's technical quality, with particular attention to the following factors:

- The technical merit of the laboratory programs relative to the state-of-the-art
- The degree to which the laboratory programs conform to their mission;
- The effectiveness with which the laboratory programs are carried out and the results disseminated
- Insofar as they affect the quality of the technical programs, the adequacy of the laboratories' facilities, equipment, and human resources

NRC panel reports for each laboratory become the basis for a comprehensive annual peer review report of the NIST MSL. The NRC report covering FY 1998 was completed in October 1998. The NRC report provides each laboratory not only with an external quality assessment, but also with a valuable source of information for its own performance assessment, planning, and management functions. To complement this information, the MSL regularly compiles benchmarking data that compare specific NIST measurement capabilities and practices relative to those of other national metrology institutes (NMIs), measurement laboratories, and industry measurement needs.

Measure: Economic impact studies

Data Validation and Verification

Data collection:	Research is contracted to economic and technical experts, who generate quantitative estimates and qualitative information using performance data gathered through industry surveys and field research. Project cost data are supplied by NIST.
Frequency:	Intermittent.
Data storage:	Contractors collect and maintain all data. Survey results, cost data, and all calculations are presented in final reports.
Verification:	Data are gathered and analyzed by highly qualified economists and technical specialists using well-developed research methods and standard economic and business analysis metrics, as specified and monitored by NIST.
Comments:	Assessment results are intermittent and not cumulative; elements of study population often are too diffuse to measure; availability and quality of industry data often are uneven; there are methodological qualifications specific to each measure; the outcomes are specific to each project (e.g. limited comparability); and the studies are expensive.

TA - National Institute of Standards & Technology

Assure and improve measurements and standards (cont.)

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

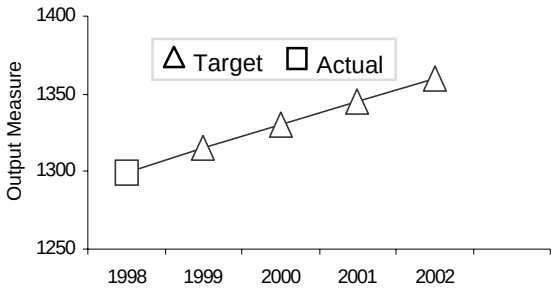
NIST augments the performance data obtained through peer review and benchmarking with formal microeconomic impact assessments of the long-term impacts of specific research projects. These studies provide qualitative assessments and quantitative estimates of the economic impacts resulting from the different types of technology infrastructure that NIST provides to U.S. industry. These impacts include increases in R&D efficiency and manufacturing productivity, enhanced product quality, and lower market transactions costs. Where data allow, quantitative estimates are provided in one of several generally acceptable forms: net present value, benefit-cost ratio, or internal rate of return.

NIST has been conducting economic impact studies on a regular basis since 1992. In addition to demonstrating consistently strong social rates of return and positive benefit/cost ratios, these studies provide NIST management with detailed information that is useful for evaluating current and prospective research projects and for supporting strategic planning processes.

Currently, about five new impact studies are initiated annually, focusing on projects with substantial histories. Because such studies are conducted intermittently and at the project level, they cannot be used to generate cumulative quantitative impact data for annual GPRA reporting.

In part due to the long time frame and intermittent character of economic impact assessments, NIST also tracks MSL activities through a series of quantitative output metrics. These measures, a portion of which are presented below, convey useful information to management regarding the generation and significance of particular NIST products and services. Although individually significant, these measures do not comprehensively represent the output from NIST laboratories, nor do they provide information about the quality or impact of particular products and services. Their interpretation requires careful attention to the meaning and context of each measure.

Measure: Standard reference materials (SRMs) available



Data Validation and Verification

Data collection:	NIST Technology Services.
Frequency:	Ongoing
Data storage:	All product and service data, along with committee participation lists, are regularly recorded and compiled by NIST's Technology Services organization.
Verification:	Data represent direct and verifiable counts of NIST products, services, and staff activities.
Comments:	Industry-specific business conditions and technological developments affect the level and range of demand for NIST products and services over time.

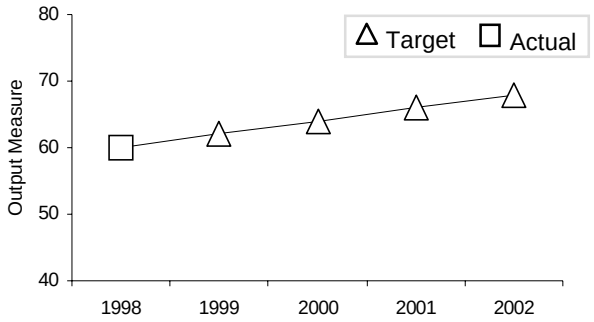
To support the Nation's established measurement needs, NIST provides standard reference materials (SRMs), reference data, and instrument calibration services. These products and services represent direct output metrics for NIST's measurement science research activities. Moreover, the technical expertise represented by these metrics supports effective participation in national and international standards organizations. Through these organizations NIST supports the harmonization of measurement and standards practices, which in turn promotes international trade and domestic economic growth.

TA - National Institute of Standards & Technology

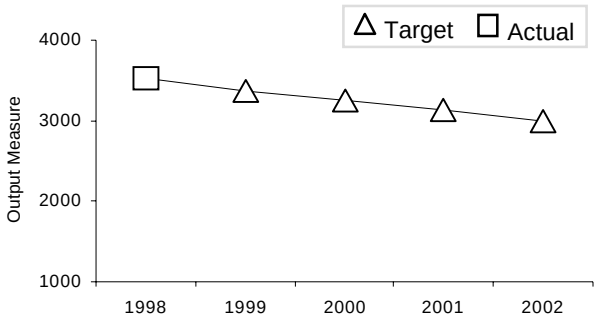
Assure and improve measurements and standards (cont.)

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

Measure: Standard reference data (SRD) available



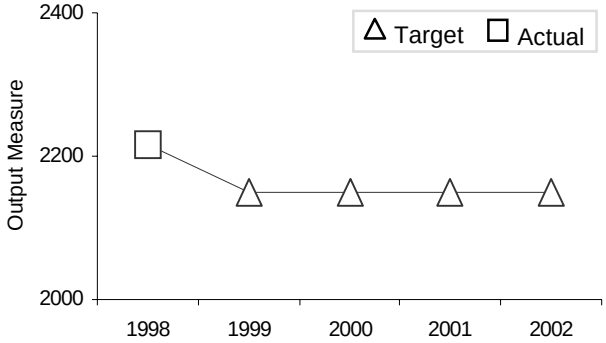
Measure: Number of items calibrated



Data Validation and Verification

Data collection: NIST Technology Services.
Frequency: Ongoing
Data storage: All product and service data, along with committee participation lists, are regularly recorded and compiled by NIST's Technology Services organization.
Verification: Data represent direct and verifiable counts of NIST products, services, and staff activities.

Measure: Technical publications produced



Data Validation and Verification

Data collection: NIST Washington and Boulder Editorial Review Boards.
Frequency: Ongoing
Data storage: Publications data are gathered and maintained by Washington and Boulder Ed. Review Boards.
Verification: Data represent direct and verifiable counts of NIST products, services, and staff activities.

Technical publications are a primary product of NIST's research activities in measurement science and technology. Many of these publications appear in prestigious scientific journals and withstand peer review by the scientific community. Others appear in technological forums where measurement standards and technologies developed by NIST staff (at times in collaboration with private sector partners) are disseminated. NIST uses publications as one of the mechanisms to transfer the results of its work to the U.S. private sector or to other government agencies that need cutting-edge measurements and standards.

TA - National Institute of Standards & Technology

Assure and improve measurements and standards (cont.)

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

Objectives and Key Strategies

Objectives	Key Strategies
Anticipate and address the Nation's most important needs for physical and information-based measurements and standards.	• Work with industry, government, and the scientific community to identify the science and technology required for a robust measurement and standards infrastructure. • Perform laboratory research that develops the measurement tools, data, and models for advanced science and technology. • Create and maintain world-class measurement facilities to support U.S. industry in the 21st century.
Strengthen the national system of standards, measurement, measurement traceability, and conformity assessment.	• Promote the efficient delivery of measurement services to meet both current and future infrastructure needs. • Foster the development of domestic voluntary standards needed by government and industry. • Stimulate the development of a robust private conformity assessment system in the United States.
Provide leadership in harmonizing international measurements and standards to facilitate international trade.	• Compare measurement systems and practices with other industrialized countries, to assure consistency and eliminate measurement-related reasons for duplicate testing. • Foster international voluntary standards needed by government and industry. • Collaborate with international standards organizations and counterpart laboratories in researching and developing standards.

TA - National Institute of Standards & Technology

Assure and improve measurements and standards (cont.)

- Technology Infrastructure
- Broadening Trade
- Critical Infrastructure

Cross-Cutting Issues

- NIST provides research and services in measurement and standards to almost every other agency in the Federal government with scientific missions, contracted through specific Interagency Agreements or Memoranda of Understanding. NIST measurement research, services, and facilities have long contributed to national defense and security, to the nationwide safety and quality-assurance systems that ensure the accuracy of health care measurements, to the accuracy of environmental measurements, and to law enforcement standards.
- NIST plays a large role in a wide variety of intragovernmental and government-industry coordination committees. For example, NIST has leadership positions on the committees, subcommittees, and working groups of the National Science and Technology Council (NSTC).

External Factors

- Industry-specific business conditions and technological developments affect the level and range of demand for NIST products and services over time.

Resource Requirements

MSL request: $284,576 thousand, plus estimated reimbursable obligations of $101,076, construction of research facilities request $106,798.

2,023 FTE (plus 711 reimbursable FTE and 33 FTE for construction of research facilities request) / Skills: MSL professional staff consists of 53% Ph.D., 19% MA/MS, 19% BA/BS

Estimated MSL IT obligations: $49,004 Thousand

TA - National Institute of Standards & Technology

Stimulate advanced technologies

Advanced Technology Program:
Accelerate technological innovation and the development of new technologies that underpin future economic growth.

Rationale for /Comments on Performance Goal:

Market pressures often deter firms from investing in particular types of technology. For instance, private industry never has accounted for a large percentage of the Nation's basic R&D, because firms must be able to earn appropriate returns within a time frame and at a level satisfactory to investors. For the same reasons, industry tends to avoid investing or significantly under-invests in certain types of enabling technologies: infrastructural technologies, which require distinct competencies and are broadly applied; multi-use technologies, which benefit multiple segments of an industry or group of industries; and high-potential breakthrough technologies, which typically involve risk levels and time frames that far exceed the horizons of individual firms. In each of these areas, the financial and market interests of individual firms tend to produce a suboptimal level of investment for the economy and society as a whole. To address this problem, the Advanced Technology Program (ATP) works with industry to identify and promote investment in high-risk technologies with significant potential for broad-based economic benefits.

In addition to program guidance provided by the Visiting Committee on Advanced Technology and NIST management, the ATP evaluates its performance through a combination of methods including economic assessments of project developments and long-term impacts, estimates of interim outcomes, status reports on completed projects, and output tabulations.

Measure: Economic impact studies

Data Validation and Verification

Data collection:	Data collected for ATP's Economic Assessment Office databases (see output metrics section below) are supplemented with data collected by external economic and technical experts, who generate qualitative information and quantitative estimates using data from field research and other public and private databases.
Frequency:	Intermittent.
Data storage:	Research methodology and results are presented in final reports; some data are integrated with existing ATP databases.
Verification:	Data collected and analyzed by contractors, as well as the methodology and results of the data analysis, are rigorously reviewed by NIST economists and technical experts as well as by external experts in evaluation.
Comments:	The time period from ATP funding to economic impacts is long and entails substantial market and technological uncertainties at the point impact studies are undertaken. Few projects are sufficiently mature to assess their long-term impacts; in some cases, projections are used to estimate outcomes and potential economic impacts. As with project-level impact assessments in general: results are intermittent & not cumulative; elements of the study population often are too diffuse to measure; availability and quality of industry data are uneven; there are methodological problems specific to each measure; the research results are specific to each project (e.g. limited comparability); and the studies are expensive.

TA - National Institute of Standards & Technology

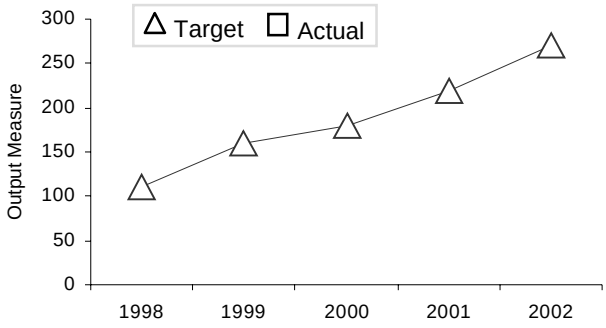
Stimulate advanced technologies (cont.)

Evaluation activities include planning, developing evaluation models and methods, collecting data and constructing databases, and conducting micro- and macro-economic case studies, statistical and econometric analyses, and other forms of assessment and inquiry.

Fully successful ATP projects are expected to contribute significantly to the U.S. scientific and technical knowledge base, yield private benefits to the innovators, and, ultimately, yield benefits to others in the Nation—through market, knowledge, and/or network spillovers extending well beyond the direct award recipients. Significant impacts can result from even partial successes. To assess these outcomes, ATP conducts or contracts economic impact studies that seek to quantify private rates of return, social rates of return, and public rates of return (the social-rate-of-return component attributable to the ATP). Evaluation studies address single projects and groups of projects, as well as issues of special concern to policy makers and program management.

To complement its highly focused economic impact studies, ATP also measures and evaluates a wide range of broader output indicators. Below are data for three key output metrics—the number of technologies commercialized as a result of ATP project funding, as well as the number of patents and publications generated by ATP-funded projects.

Measure: Cumulative number of technologies under commercialization



Data Validation and Verification

Data collection: Data are gathered from the portfolio of ATP project participants since 1993 through an electronic survey instrument under ATP's Business Reporting System. Separate portfolio-based telephone surveys are conducted of project participants funded prior to 1993 and for post-project data collection.

Frequency: Annual over the course of ATP funding for projects funded since 1993; intermittent for projects funded prior to 1993; every two years (up to six years) after ATP funding ends.

Data storage: Data are maintained by ATP's Office of Economic Assessment in an integrated set of databases covering both descriptive information about the funded organizations and survey responses for all participants in ATP-funded research projects.

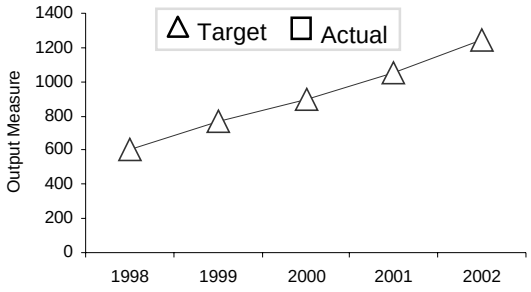
Verification: Business Reporting System electronic survey and other telephone survey instruments represent a standardized reporting system. Surveys record client responses to questions concerning business plans, progress, early economic impacts, and other effects of ATP funding. Data are reviewed for completeness and subjected to validity tests.

Comments: The ATP's Office of Economic Assessment databases comprise a wide spectrum of types of information for *use* in project management, general ATP oversight, and economic evaluation.

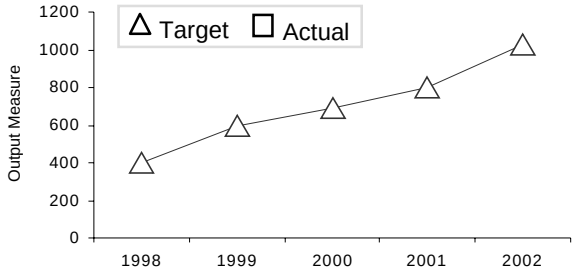
TA - National Institute of Standards & Technology

Stimulate advanced technologies (cont.)

Measure: Cumulative number of patents filed



Measure: Cumulative number of technical publications



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TA - National Institute of Standards & Technology

Stimulate advanced technologies (cont.)

Objectives and Key Strategies

Objectives	Key Strategies
Encourage industry to increase investment in R&D for high-risk, broad-impact technologies.	• Identify and fund ATP-industry partnerships for the development of emerging, infrastructural, and/or multi-use technologies. • Emphasize cooperative R&D projects. • Expand partnership activities with both the public and private sectors, and strengthen linkages to external sources of innovation—such as small entrepreneurial firms, universities and other sources of basic research, and new research consortia.
Accelerate the broad diffusion of ATP-funded technologies.	• Facilitate linkages between ATP award winners and other financial and organizational resources. • Encourage rapid dissemination of information about ATP-funded technologies.

Cross-Cutting Issues	External Factors
• Scientists and engineers from a wide variety of government agencies and laboratories participate in ATP's Source Evaluation Boards.	• ATP-funded projects by design involve long time horizons and high levels of technical risk. Particularly at this early stage, assessing long-term outcomes as well as progress toward those outcomes entails fundamental empirical uncertainties and methodological challenges.

Resource Requirements

ATP request: $251,500 Thousand

280 FTE / Skills: ATP professional staff consists of 51% Ph.D., 26% MA/MS, 19% BA/BS

Estimated ATP IT obligations: $4,425 Thousand

TA - National Institute of Standards & Technology

Assist small manufacturers

Manufacturing Extension Program:
Improve the technological capability, productivity, and competitiveness of small manufacturers.

Rationale for / Comments on Performance Goals:

While the U.S. manufacturing sector as a whole is among the most productive in the world, small manufacturers in the United States consistently lag behind their larger counterparts. Large firms typically have greater financial, technical, and human resources available for production modernization and continuous performance improvement. Yet the Nation's nearly 400,000 small plants and factories employ about 12 million people—nearly two-thirds of all manufacturing jobs—and produce intermediate parts and equipment that contribute substantially to the value of finished products. Due to the pervasive role of small firms in the manufacturing supply chain, the future productivity of the Nation's overall supply base will rest largely on the ability of small firms to improve their quality, raise their efficiency, and lower their costs.

The comparatively low productivity growth of small U.S. firms can be attributed to numerous factors, including technical, cost, and information barriers. Through the Manufacturing Extension Partnership (MEP) Program, NIST helps to overcome these barriers by providing information, decision support, and implementation assistance in adopting new and more advanced manufacturing technologies, techniques, and business practices.

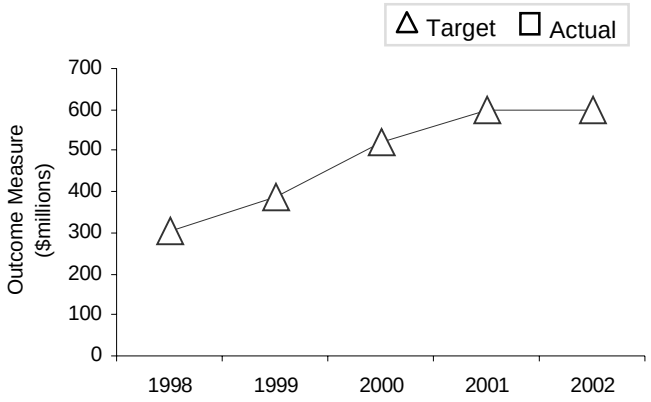
The MEP provides key support to the Secretary's Broadening Trade initiative by partnering with ITA to expand the participation of small manufacturers in international trade.

In addition to program guidance provided by NIST management, MEP evaluates its performance through a combination of methods including: 1) independent evaluation of MEP program plans and policies by the newly established MEP National Advisory Board; 2) legislatively-mandated independent panel reviews of individual MEP center operations and outcomes conducted against criteria adapted from the Malcolm Baldrige National Quality Award; and 3) regular program oversight and periodic review of individual MEP center operations and outcomes by NIST staff. These reviews and assessments utilize a variety of metrics, including output tabulations; interim impacts on client competitiveness, derived from regular surveys conducted by the Bureau of the Census; and analysis of more detailed information regarding the operations and performance of individual centers. The following four performance measures record the impact of MEP assistance on several key business indicators, which illustrate MEP's impact on key aspects of its clients' competitiveness.

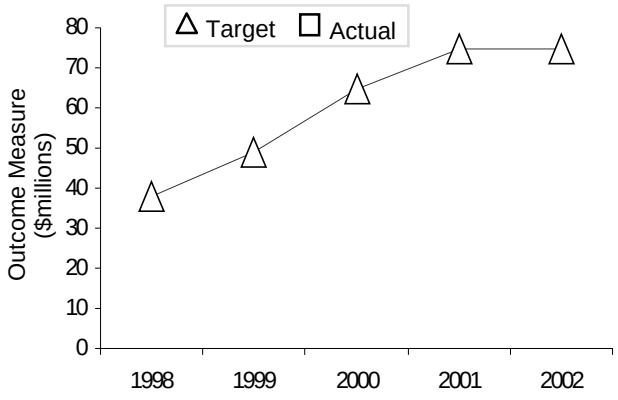
TA - National Institute of Standards & Technology

Assist small manufacturers (cont.)

Measure: Increased sales attributed to MEP assistance



Measure: Labor and material savings attributed to MEP assistance



Data Validation and Verification

Data collection: MEP centers submit activity data reports to Bureau of the Census, which uses these reports to plan and conduct client surveys. Census compiles survey data, ensures confidentiality, and forwards data results to MEP.

Frequency: Annual.

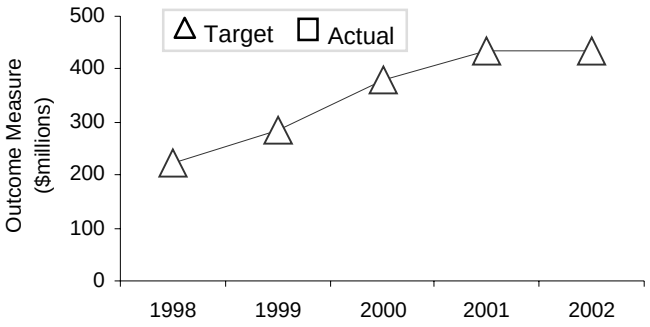
Data storage: MEP cumulates and stores Census survey data in an Oracle database.

Verification: Surveys record client-attested assessments of the business results attributed to completed MEP assistance. Data are not comprehensive, for two reasons: 1) data measure only specific impacts within a calendar year, hence cumulative or recurring benefits are not measured; and 2) many benefits of MEP are intangible, difficult to quantify, and/or are qualitative in nature.

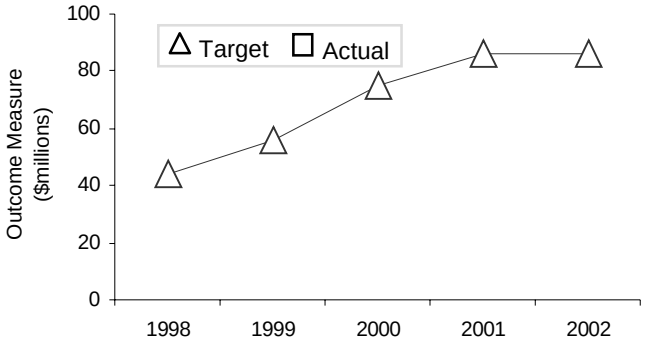
TA - National Institute of Standards & Technology

Assist small manufacturers (cont.)

Measure: Capital investment attributed to MEP assistance



Measure: Inventory savings attributed to MEP assistance



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TA - National Institute of Standards & Technology

Assist small manufacturers (cont.)

Objectives and Key Strategies

Objectives

Transform a larger percentage of the Nation's small manufacturers into high performance enterprises.

Key Strategies

- Provide MEP Centers and clients with access to a wider range of technologies and business practices by generating an integrated knowledge network focused on high performance processes, market dynamics, technological trends, and competitiveness indicators.
- Improve each Center's effectiveness and efficiency by improving the level of technical capacity in the field, conducting market research on trends involving broad segments of MEP's client base, and assisting Centers in developing effective management information systems.

Cross-Cutting Issues

- MEP collaborates with a wide range of agencies, including Agriculture (collaboration on serving forestry and food processing industries and on promoting sustainable development); DoD (regional recycling efforts with the Navy); DoE (technology development from DoE labs; Energy, Environment and Manufacturing Assessment Protocol); EPA (Pollution Prevention; Environmental Best Practices for Metal Finishing and Printing Industries; Environmental Service Provider Networks; Recycling Market Development; Energy, Environment and Manufacturing Assessment Protocol (w/DOE); collaborative promotion of sustainable development); HHS (collaboration with NIOSH re. Center health & safety services); HUD (Center workforce development model being adapted to HUD empowerment zones); DoL (One Stop Career Center; School to Work Project); NSF (adapting NSF curricula); and NASA (NTTC Technology Mining Project; field agent training); Bureau of Census Impact Agencies.

External Factors

- Outcome projections assume lifting of the sunset restriction on federal funds beyond sixth year of the centers; if the sunset restriction is not lifted, these out-year performance estimates will decrease as the number of centers that receive federal funding declines.

Resource Requirements

MEP request: $99,836 Thousand; plus estimated reimbursable obligations of $50 Thousand

112 FTE / Skills: MEP professional s consists of 17% Ph.D., 72% MA/MS, 11% BA/BS

Estimated MEP IT obligations: $1,958 Thousand

TA - National Institute of Standards & Technology

Promote performance and quality management

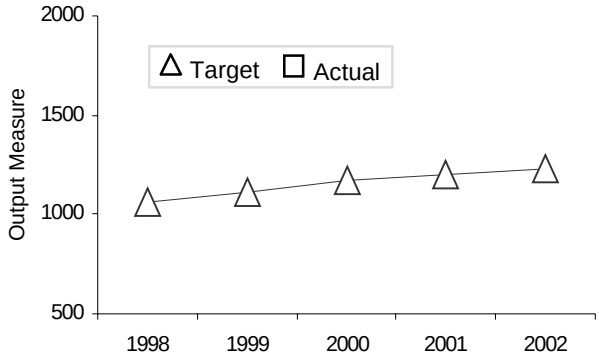
The Baldrige National Quality Program:
Assist U.S. businesses and other organizations in continuously improving their productivity and efficiency by adopting performance and quality management practices.

Rationale for /Comments on Performance Goals:

As the 21st century approaches, quality and performance improvement have become requirements—not options—for competitive businesses and high-performance organizations of all types. Through the Malcolm Baldrige National Quality Program (BNQP), NIST provides a systematic and well-tested set of business values, performance criteria, and assessment methods that all organizations can adopt to improve their productivity and effectiveness. Overall, the BNQP catalyzes the business community to define what organizations must do to improve their performance and attain (or retain) market leadership, and it provides a mechanism for broadly disseminating that information.

The Baldrige National Quality Program evaluates its performance through a combination of methods including: 1) independent expert review of all aspects of the BNQP's plans and operations by its Board of Overseers, combined with other annual reviews provided by the Panel of Judges and the Foundation for the Malcolm Baldrige National Quality Award (MBNQA); 2) output tabulations, such as the number BNQP *Criteria for Performance Excellence* distributed by mail; and 3) periodic surveys and other assessments of the program's relevance to corporate performance. In FY 1999, the BNQP will complete a formal economic impact assessment to evaluate the Program's longer-term economic impact on corporate performance management practices, profitability, and other business factors.

Measure: Number of applications to the MBNQA and Baldrige-based state quality programs



Data Validation and Verification

Data collection:	Application data are collected and tracked by the Baldrige National Quality Program.
Frequency:	Based on the application cycle. Data from state programs is collected annually.
Data storage:	Baldrige National Quality Program.
Verification:	Data represent direct and verifiable counts of BNQP business activities and processes.
Comments:	BNQP's information dissemination and promotional activities are designed to support performance and quality awareness efforts at all levels.

TA - National Institute of Standards & Technology

Promote performance and quality management (cont.)

Objectives and Key Strategies

Objectives	Key Strategies
Develop and continuously improve the Malcolm Baldrige National Quality Award, broadly disseminate criteria for evaluating performance, and promote quality awareness and performance excellence.	• Continue to work with the education and health care communities to establish full-fledged award programs for these sectors. • Prepare educational materials (such as case studies) and acquire the capacity to conduct research and generate documents that will 1) identify best practices and articulate the underlying principles of leading management practices and performance evaluation techniques; and/or 2) help businesses and other organizations initiate and sustain performance improvement strategies.
Promote quality awareness and business excellence practices of small service businesses and manufacturers.	• Use flexible partnerships to reach and address the needs of smaller firms. • Lead an expanding national system of state and local quality programs. • Prepare educational materials designed to help businesses and other organizations initiate and sustain performance improvement strategies.

Cross-Cutting Issues

- The BNQP provides OPM with Baldrige Criteria, Processes, and Baldrige Examiner Board members for the Presidential Quality Award.

External Factors

- BNQP's ability to further promote quality awareness and performance excellence will depend in part upon acquiring the formal authority to conduct research, develop data on best practices, and generate self-assessment primers and other educational materials.

Resource Requirements

BNQP request: $5,046 Thousand; plus estimated reimbursable obligations of $2,000 Thousand

40 FTE plus 2 reimbursables
Skills: BNQP professional staff consists of 11% Ph.D., 44% MA/MS, 33% BA/BS

Estimated BNQP IT obligations: $429 Thousand

TA - Office of the Under Secretary / Technology Policy

Analyze and develop technology policies

Improve technology's contribution to U.S. competitiveness, economic growth, and job creation through the analysis, development, advocacy, and implementation of national technology policies and programs.

Rationale for/Comments on Performance Goals:

Technological innovation and industrial competitiveness depend upon a supportive policy environment to overcome market inefficiencies in innovation, investment, and competition. To this end, US/OTP coordinates and leads several Presidential Initiatives designed to recognize and promote technological achievement (the National Medal of Technology), generate new technologies with high potential for socio-economic advancements (Partnership for a New Generation of Vehicles-PNGV), and improve the conditions for international technology cooperation (U.S.-Israel Science and Technology Commission-USISTC). In addition, US/OTP works closely with the States to manage and improve complex policies that affect innovation, such as regulatory policies that influence innovation in telemedicine, environmental technologies, building and construction, and other areas.

More generally, US/OTP promotes science and technology policy development and advocacy through analyses of competition in technology-oriented industries; the impact of various regulatory, tax, legal, and other public policies on corporate behavior; and the foreign policy and competitive context in overseas markets. In all of its activities, US/OTP seeks to coordinate federal and state policy efforts in ways that support a truly national approach to science and technology policy.

US/OTP evaluates its performance and plans its work through several evaluation mechanisms: extensive and ongoing consultation with public and private sector stakeholders, selected peer review, and output tracking. These sources of performance evaluation provide diverse and useful information for managing US/OTP's policy development, coordination, and analysis roles. However, no single output measure can capture US/OTP's diverse activities, and many core activities—such as policy advisory and advocacy functions—are difficult to characterize quantitatively.

For GPRA purposes, US/OTP provides the number of reports published annually as a partial indicator of analytical output. In FY 2000, US/OTP expects to publish five reports on critical technology policy issues. These reports are designed to inform and influence key members of the science and technology policy community, and are distributed to a core list that includes members of Congress, the Office of Science and Technology Policy, and other Administration offices, leading trade associations and think tanks, and numerous industry and academic leaders who are active on science and technology policy issues.

The longer-term outcomes that derive from US/OTP reports and other outputs cannot be measured reliably, for at least two fundamental reasons: First, outcomes associated with knowledge generation (reports, analyses, workshops, conferences, etc.) typically are extended in time, intangible in nature, and diffuse in scope. Second, policy analyses and advocacy efforts may influence the attitudes and positions of key parties, but actual policy outcomes are determined by multiple institutional, organizational, economic and political factors. US/OTP has begun to explore the feasibility and cost effectiveness of interim outcome measures, such as citation analysis and customer surveys.

TA - Office of the Under Secretary / Technology Policy

Analyze and develop technology policies (cont.)

Measure: Reports Published

Year	*1998*	*1999*	*2000*	*2001*
Target	5	5	5	5
Actual	5	TBD	TBD	TBD

Data Validation and Verification

Data collection: All data are collected and maintained within each respective program office.

Frequency: US/OTP data is collected on an ongoing basis.

Data storage: US/OTP.

Verification: This measure is a direct and verifiable indicator of analytical output.

Comments: Output data are not comprehensive. In particular, US/OTP policy advocacy efforts consume a considerable portion of staff time and resources, but can be represented only by detailed activity metrics. As with most policy development and analysis operations, long-term outcomes cannot be isolated from other contributing factors, and consequently cannot be measured reliably.

Objectives and Key Strategies

Objectives	Key Strategies
Coordinate and lead key interagency technology programs.	Lead and administer presidential initiatives designed to: • recognize and promote technological achievement (the National Medal of Technology); • generate new technologies with high potential for socio-economic advancements (PNGV); and • improve the conditions for international technology cooperation (USISTC).
Coordinate and lead interagency efforts to strengthen technology partnerships between states and the Federal government.	• Develop and coordinate the U.S. Innovation Partnership to improve how state and federal R&D agencies manage complex policies that affect innovation, such as regulatory policies that influence innovation in telemedicine, environmental technologies, building and construction, and other areas. • Develop and administer the EPSCoT program to improve the infrastructure and general business conditions for technology-led economic growth in particular regions of the United States.
Improve the information base for science and technology policy.	• Generate reports and analyses of foreign technology policies and domestic industrial and technological trends, including but not limited to: competition in technology-oriented industries; the impact of various regulatory, tax, legal, and other public policies on corporate behavior; and the foreign policy and competitive context in overseas markets.

TA - Office of the Under Secretary / Technology Policy

Analyze and develop technology policies (cont.)

Cross-Cutting Issues

- Through the Committee on Technology of the President's National Science and Technology Council, the Under Secretary helps to establish clear national goals for federal science and technology investments and to ensure that federal civilian R&D priorities reflect the requirements of industry customers. The Committee currently is coordinating several major Administration R&D initiatives in materials, construction and building, manufacturing infrastructure, electronics and automotive technologies.

External Factors

- Outputs associated with coordination and leadership functions depend in part upon the interest and commitment of numerous public and private sector participants operating at the state and federal levels. US/OTP can influence but not control other participants.

Resource Requirements

US/OTP request: $8,972 Thousand; plus estimated reimbursable obligations of $0.575 Thousand

50 FTE plus 1 reimbursable FTE
Skills: total US/OTP staff consists of 11% Ph.D., 19% MA/MS, 32% BA/BS

Estimated US/OTP IT obligations: $288 Thousand

TA - National Technical Information Service

Collect and disseminate technical information

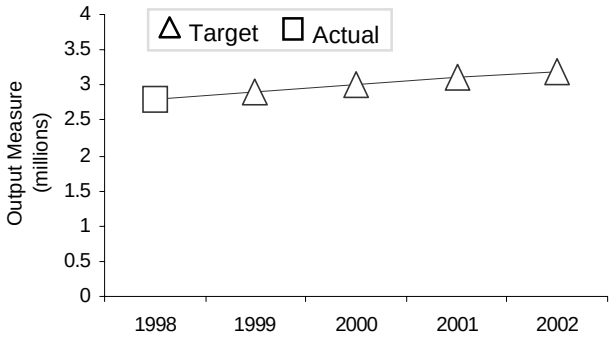
Collect, preserve, and disseminate government technical, scientific, and business information.

Rationale for/Comments on Performance Goals:

NTIS operates a central clearinghouse of technical information which is useful to American business and industry. NTIS is directed to collect information from international sources; classify, maintain, and disseminate the information in the forms and formats most useful to its customers; develop electronic and other new methods and media to disseminate information dissemination; provide information processing services to other federal agencies; and charge reasonable fees for its products and services that permit NTIS to recover its costs.

NTIS contributes directly to the Department's effort to provide U.S. industry and the Nation with a world-class scientific and technical information base. NTIS' output directly enhances the Nation's scientific and technical information base, which in turn supports virtually all segments of the Nation's scientific and technological enterprise.

Measure: Items in archive



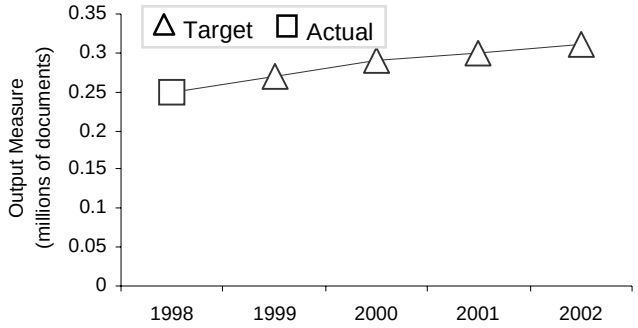
Data Validation and Verification

Data collection:	NTIS operates and maintains internal systems for processing collected information into available products. NTIS records every transaction using a commercial order processing system modified to meet its specific needs. NTIS accounting and budget offices analyze and report performance output data as well as revenue and cost data to management.
Frequency:	Internal management activity reports are produced daily, with monthly summaries.
Data storage:	All performance-related information is stored within the NTIS order processing system.
Verification:	Data verification and validation is provided through regular internal and independent auditor reporting.

TA - National Technical Information Service

Collect and disseminate technical information (cont.)

Measure: Documents Reproduced from Electronic Media



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Data storage:	All performance-related information is stored within the NTIS order processing system.
Verification:	Data verification and validation is provided through regular internal and independent auditor reporting.

The number of items collected by NTIS and the dissemination demand can vary with the output of government agencies during any given period. Overall, dissemination metrics adequately convey NTIS' performance relative to its statutory responsibilities. However, they do not comprehensively represent NTIS' output and performance (for instance, NTIS also assists agencies in the development and production of their information). Moreover, these measures do not convey the impact of all of NTIS' services.

TA - National Technical Information Service

Collect and disseminate technical information (cont.)

Objectives and Key Strategies

Objective	Key Strategies
Play a leadership role in assisting federal agencies with dissemination of their scientific, technical, and business information.	• Leverage NTIS experience with information dissemination. • Leverage NTIS joint venture authority to broaden distribution
Provide services and infrastructure to control scientific, technical, and business related information, and increase the effectiveness of systems for locating and delivering information in the form required by customers.	• Leverage NTIS investment in production technologies. • Leverage NTIS core capabilities for information management. • Leverage NTIS sales and distributor channels. • Develop information products and services for agencies.

Resource Requirements

NTIS request: $2,000 Thousand; plus estimated reimbursable obligations of $60,000 Thousand

FTE plus 377 reimbursable FTE
Skills: Total NTIS staff consists of 0% Ph.D., 9% MA/MS, 25% BA/BS

Estimated NTIS IT obligations: $7,814 Thousand

National Telecommunications and Information Administration (NTIA)

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

Enabling Legislation

In 1992, the Congress codified the National Telecommunications and Information Administration's (NTIA) responsibilities as part of the Telecommunications Authorization Act of 1992, P.L. 102-538. NTIA is the Executive Branch agency principally responsible for domestic and international telecommunications and information policy issues.

Bureau Context

NTIA envisions a world where telecommunications and information technologies are used to protect and improve the global quality of life. **NTIA's mission is to promote the efficient and effective use of telecommunications and information resources in a manner that creates job opportunities, enhances U.S. competitiveness, and raises the standard of living.**

The telecommunications and information revolution is bringing dramatic growth and change to the Nation's economic, social and political life. These exciting developments affect every American to some extent because nearly everyone uses telephones, televisions, computers, radio and related technology. Citizens receive public services and protections that rely upon telecommunications technology. Communication is fundamental to the very organization of society and to life as it is lived today. Affordable access to telecommunications technology is becoming a basic necessity for a successful and productive life in all sectors of our society, including business, academia, industry, banking and government. The rapid growth and critical importance of the telecommunications and information industries will continue for at least the next decade, domestically and internationally. By the 21st Century, telecommunications and information-related industries will account for approximately 20 percent of the U.S. economy. Telecommunications and information issues are dynamic, multi-disciplinary and complex. NTIA's expertise and advocacy enable the U.S. to continue its lead in this integral part of America's competitiveness.

NTIA is addressing a number of key telecommunications challenges, including:

- *Internet Domain Names:* NTIA, through the Department of Commerce, is supporting efforts to make the governance of the domain system private and competitive. Through these efforts, the U.S. will transfer responsibility for management functions now performed by or on behalf of the United States, to the new corporation. The transfer will begin as soon as the new corporation is operational and stable, and is intended to be completed by October 1, 2000.
- *E-Rate (Universal Service Fund):* The Administration has been a leading proponent of the Education or E-Rate, which allows eligible schools and libraries to establish connections to the Internet at discounted rates. DOC, along with other agencies, is working to implement the E-Rate program through outreach and education.
- *Mergers:* The telecommunications industry is being affected by the same merger wave that is washing over the economy generally. The growing numbers of combinations is increasing concentration within the industry, although the effects vary from sector to sector. The Department of Commerce is studying these mergers and may decide to weigh in with comments to the FCC on particular mergers if appropriate.
- *Critical Infrastructure Program:* This new program necessitates a budget supplement for FY 1999 funding and must meet deadlines specified in the Presidential Decision Directive 63 for the Information and Communications Sector.

National Telecommunications and Information Administration (NTIA)

- **Technology Infrastructure**
- **Broadening Trade**
- **Critical Infrastructure**

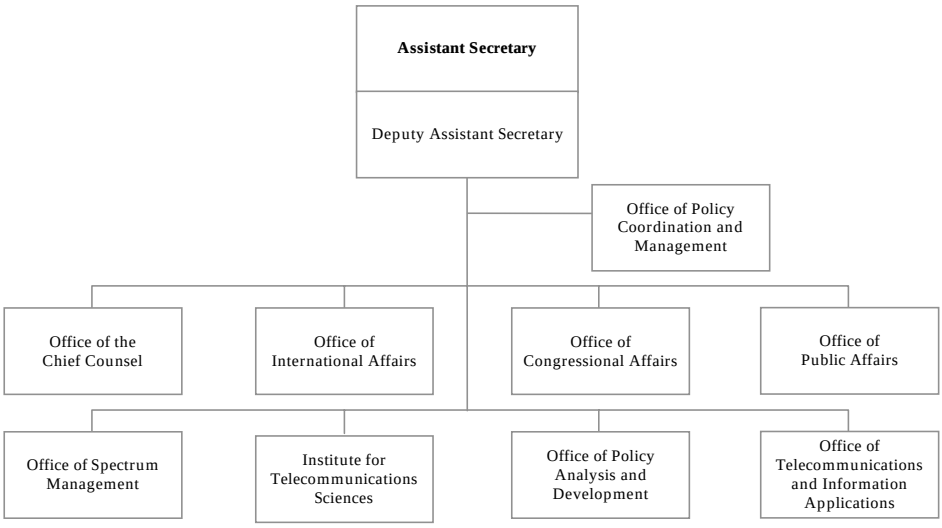
Priorities and Initiatives

Technology Infrastructure - NTIA will focus on developing and promoting the Internet and other communications platforms and managing radio spectrum.

Critical Infrastructure Program - The Secretary has designated NTIA to serve as the lead agency for the Information and Communications Sector under the Critical Infrastructure Program. The program is defined by Presidential Directive 63 (PDD-63) which calls for a national effort to assure the national security of the increasingly vulnerable and interconnected infrastructures of the United States. It stresses the critical importance of cooperation between the government and the private sector by linking designated agencies with private sector representatives. The PDD-63 instructs the Department of Commerce to establish the Critical Infrastructure Assurance Office (CIAO).

Broadening Trade - NTIA will also continue its efforts to expand trade opportunities for the U.S. telecommunications industry.

Organizational Structure



National Telecommunications and Information Administration (NTIA)

- Technology Infrastructure
- Broadening Trade
- Critical Infrastructure

Measures and Targets Summary

Measure	Target
Goal: Open Markets	
Full compliance of countries with FY 2000 World Trade Organization (WTO) commitments	100%
Goal: Radio Spectrum Assignments	
New agency-requested spectrum assignments	200,000
Goal: Public Interest Promotion	
Maintain or increase current telephone subscription rates	96%
Increase Internet accessibility and use	NA
Goal: Advanced Telecommunications	
TIIAP grant awards / models	50

Resource Requirements Summary

$72.3 Million

336 FTEs
Skills: Scientists, Engineers, Lawyers, Economists, Policy Analysts, Support Staff

IT Requirements: $6.4 Million

NTIA

Open Markets: Promote open markets and encourage competition

· **Broadening Trade**

Rationale for/Comments on Performance Goal:

Open and competitive markets lead to lower prices, increased innovation, and more competitive telecommunications and information service choices for all consumers. These efforts directly support the Department's theme of building for the future and promoting U.S. competitiveness in the global marketplace, by strengthening and safeguarding the Nation's economic infrastructure.

This goal supports the initiative to broaden trade. Through new priorities and initiatives approved by the Department for FY 2000, NTIA will continue to play a substantial role in the implementation of the WTO Basic Agreement on Telecommunications ($500,000); and work with MBDA and ITA to promote Africa Electronic Commerce, targeted at small and mid-sized minority businesses.

Measure: % of countries meeting FY 2000 commitment to implement the WTO agreement on basic telecommunication services

Year	*1997*	*1998*	*1999*	*2000*	*2001*
Target	NA	NA	NA	100%	100%
Actual	NA	NA	NA	TBD	TBD

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Data Validation and Verification

Data collection: ITA Database
Frequency: Monthly Reports
Data storage: ITA maintains and updates
Verification: Commerce trade experts from ITA and NTIA, with input from private sector sources, will monitor and evaluate implementation within these countries.
Comment: Sixty-nine countries adopted the (WTO) Agreement on Basic Telecommunications in 1997. This land mark agreement, which NTIA helped negotiate, covers over 95 percent of world revenues for basic telecommunications services -- a $675 billion industry -- and ensures that U.S. companies can compete against and invest in telecommunications companies around the globe. As part of an interagency team, NTIA will continue to work on implementation of the agreement and assist in monitoring the compliance of countries under the agreement. In particular, NTIA has taken a leadership role in designing an implementation plan to assist developing countries in crafting legal and regulatory frameworks to meet their obligations under the agreement.

NTIA

Open Markets: Promote open markets and encourage competition (cont.)

• Broadening Trade

Means and Strategies

Strategy or Rationale	Means or Activity	Output Indicators
Develop and facilitate implementation of appropriate policies	Represent the U.S. and/or Executive Branch in bilateral, regional, and international forums, such as: - Discussions with Russia and China - Sponsorship of the Latin American Telecommunications Summit (LATS) - Participation at International Telecommunication Union (ITU) Conferences - Comsat oversight and Intelsat/Inmarsat participation - Support implementation of the TC Act of 1996 - Work with legislators to achieve U.S. legislation that supports U.S. interests to leverage ISOs restructuring - Monitor accomplishments of WTO/GBT signatories in establishing an independent regulator	# of pro-competitive U.S. policies initiated # of Federal Communication Commission Filings # International meetings attended
Advocate a more pro-competitive international satellite services market	Oversee Comsat and Intelsat/Inmarsat participation	# of participants in Comsat and Intelsat / Inmarsat
Assist developing countries in strengthening their telecommunications and information infrastructure.	Provide training in modern spectrum management techniques to telecom personnel	# of programs to assist emerging market countries to build infrastructure

Crosscutting Activities

- *Federal Agencies, Including U.S. Trade Representative, and other Commerce bureaus, Including ITA:* Development of U.S. Executive Branch positions involve personal coordination and negotiation with these agencies. Senior policy specialists up to and including Assistant Secretary engage in regular communication with other agency counterparts.
- *MBDA and ITA*: With these agencies, NTIA promotes Africa Electronic Commerce, targeted at small and mid-sized minority businesses.

External Factors

- Promoting open markets and competition presents a challenge that cannot be undertaken by a single country, or imposed by government fiat. Governments can facilitate these activities by creating a legal and regulatory environment that supports efficient investment and innovation, and promotes full and fair competition. Success in this area requires the coordinated efforts of many agencies within the U.S. government working closely with their counterparts in other sovereign nations.

NTIA

Radio Spectrum Assignments: Ensure spectrum provides the greatest benefit to all people

· **Technology Infrastructure**

Rationale for/Comments on Performance Goal:

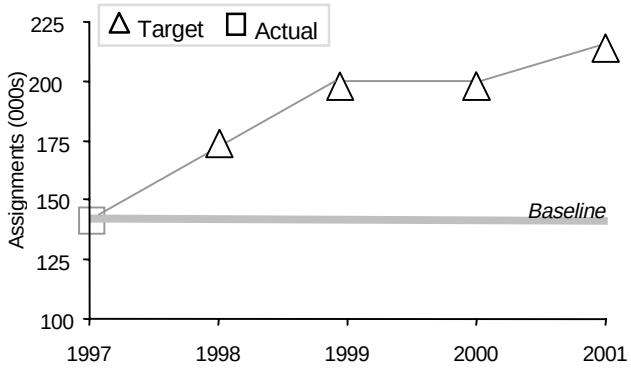
Radio spectrum is a scarce resource supporting government communication, public safety, and national defense, while private sector uses are burgeoning. Efficient management of these resources, research into new and better spectrum uses, and participation in international organizations help to assign radio spectrum to fulfill needed services. This goal directly supports the Secretary's theme to provide management and stewardship of our Nation's resources and assets to ensure sustainable economic opportunities. NTIA's spectrum management activities are currently funded by other federal agencies at the 80% level.

This goal supports the initiative for technology infrastructure. For FY 2000, the Department has approved a new initiative leading to further automation of the spectrum management process at a total direct cost of $200,000 and reimbursable cost of $800,000 (total priority/initiative value: $1 million).

Data Validation and Verification

Data collection:	Government Master File (GMF) maintained by NTIA; data is collected from federal agency requests for spectrum assignment actions
Frequency:	Monthly
Data storage:	NTIA mission critical system; data available on CD-ROM
Verification:	GMF has built-in checks; also staff review outside of these checks.
Comment:	Number of new frequency spectrum assignment actions is a limited measure of effectiveness of these activities, but the most quantifiable. Radio spectrum assignment effectiveness is ensured by the Interdepartmental Radio Advisory Committee (IRAC) who administer quality advisory recommendations to the Assistant Secretary's office.

Measure: Number of new agency-requested spectrum assignment actions



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NTIA

Radio Spectrum Assignments: Ensure spectrum provides the greatest benefit to all people (cont.)

Technology Infrastructure

Means and Strategies

NTIA's spectrum management activities are designed to establish and maintain a collaborative process with the federal agencies that depend upon the spectrum to fulfill their mission requirements. These 23 agencies are represented through the Interdepartmental Radio Advisory Committee (IRAC). Through a system of sub-committee and ad-hoc groups involving both the federal agencies and NTIA participation, IRAC provides advice to the Assistant Secretary on all spectrum matters.

Strategy or Rationale	Means or Activity	Output Indicators
Develop and implement spectrum plans and policies for both government and private sector users	Coordinate long-range plans for spectrum use	# spectrum analysis reports created
Satisfy the spectrum needs of Federal government agencies	Process frequency assignment action requests from agencies Establish follow-on program to the Public Safety Wireless Advisory Committee (PSWAC) to address PSWAC recommendations	Approx. 86,000 requests processed
Advance development of spectrally efficient technologies	Implement Federal standards, rules, regulations, & procedures Reviewing and coordinating national satellite systems	- # of necessary revisions to spectrum rules - 50 national satellite systems reviewed and coordinated
Improve the management of Federal and non-Federal spectrum	Process Federal agency requests for spectrum and interference resolution support Provide spectrum information and consultation	# of support requests processed

Crosscutting Activities

- *23 Federal Agencies:* NTIA works with each of 23 federal agencies who are represented on the Interdepartmental Radio Advisory Committee (IRAC). IRAC assists the Assistant Secretary on all spectrum matters.

External Factors

- NTIA's dealings with federal agencies, and ability to develop acceptable changes in their spectrum, are key to fulfilling this strategic goal.
- Other federal agencies provide advice to NTIA on spectrum management and resolution and other problems between the government and non-government sectors domestically. Internationally issues are resolved through forums such as the ITU. Because effective international spectrum management depends on cooperation and adherence to common practices, NTIA operates as much as possible through the development of consensus among affected parties.

NTIA

Public Interest: Advance the public interest in telecommunications, mass media, and information

- Technology Infrastructure
- Critical Infrastructure

Rationale for/Comments on Performance Goal:

Affordable access to telecommunication technology is becoming a basic necessity for a successful and productive life in all sectors of our society, including business, academia, industry, banking, and government. Improved access to information, made possible by advanced telecommunications and information technologies, will increase productivity, create new jobs, help educate our children, and provide better medical care to all Americans. Broad access also brings the benefits of the Information Age to the traditionally unserved and under-served, including the poor, minorities, rural Americans, and disabled individuals.

This goal supports the priorities and initiatives to develop technology infrastructure and maintain the Nation's critical infrastructure. NTIA is developing technology infrastructure by promoting both Internet use and the digital conversion of public broadcasting. NTIA will also move forward on protecting the Nation's critical infrastructure as the lead commerce agency for the information and communications sector.

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Measure: Maintain or increase telephone subscription rates

Year	*1997*	*1998*	*1999*	*2000*	*2001*
Target	96%	96%	96%	96%	96%
Actual	96%	TBD	TBD	TBD	TBD

Data Validation and Verification

Data collection: Data is available via Census Bureau
Frequency: Annual
Data storage: The Census Bureau maintains and tabulates the data.
Verification: The Census Bureau uses established statistical techniques.
Comment: Since telephone subscription rates are already at 96%, there is only room for marginal annual improvement. In a dynamic economy, maintaining this subscription rate will constitute a significant challenge, compounded by the many personal factors that can influence choices.

Measure: Increase Internet accessibility and use

Data Validation and Verification

Target: To be determined after 2000 Decennial determines baseline.
Data collection: NTIA is making special arrangements with Census Bureau for the 2000 Decennial
Frequency: Annual estimates after 2000
Data storage: Bureau of the Census
Verification: Established survey statistical techniques
Comment: Government and industry observers of the development of the Internet have found great difficulty in measuring penetration and use and are still in the process of developing generally acceptable standards for measurement. NTIA will continue to work with the Bureau of the Census as these measurements are refined.

NTIA

Public Interest: Advance the public interest in telecommunications, mass media, and information (cont.)

- Technology Infrastructure
- Critical Infrastructure

Means and Strategies

Strategy or Rationale	Means or Activity	Output Indicators
Promote universal service and access to telecommunication	Assist in maintenance Upgrade the services of public broadcasting and telecommunication facilities, including digital broadcasting Create substantive technical, economic, and legislative policy analysis	# of technical assistances to public broadcasters
Determine the public-interest obligations of broadcasting , including promoting a diversity of choices and programming sources in the mass media	Coordinate with the White House and other Executive Branch agencies Use Federal Advisory Committee support and management Facilitate private sector discussions by obtaining expert and public views, including Federal Register notices for requests for comments, public conferences, seminars, and focus groups Encourage private sector initiatives to give citizens the ability to protect their children from indecent material Establish principles for the protection of personal privacy	# of conferences and seminars # of advisory committee meetings # of reports on current telecommunication models # of content policy models
Work to maintain the U.S. telecommunications and information infrastructure in time of crisis	As lead agency for the Information and Communications Sector under the Critical Infrastructure Program (CIP), NTIA will coordinate and prepare the report and plan called for in Presidential Directive 63.	Plan required by Presidential Directive 63

Crosscutting Activities

- Since the Critical Infrastructure Program (CIP) is a new program, involvement from other federal agencies has yet to be finalized.

External Factors

- There are many exogenous variables affecting telephone penetration rates, including income and affordability.
- Extensive debate is underway in the United States and numerous other countries on how to define universal service and how to promote open access to it, particularly in the context of further liberalization in telecommunications markets and progress toward realizing the goals of the National Information Infrastructure (NII) and similar foreign infrastructure initiatives.

NTIA

Advanced Telecommunications: Promote the availability and sources of advanced telecommunication and information services

- Technology Infrastructure
- Critical Infrastructure

Rationale for/Comments on Performance Goal:

NTIA provides matching grants to non-profit organizations such as schools, libraries, hospitals, public safety entities, and state and local governments to develop a leading technological or information system. Grants are used to fund projects that improve the quality of, and the public's access to, education, health care, public safety, and other community-based services. By serving as models that can be replicated in similar communities across the country, these projects extend their benefits far beyond the communities in which they take place, and provide economic and social benefits to the Nation as a whole.

This goal supports the initiatives to develop technology infrastructure and maintain the Nation's critical infrastructure. NTIA is managing a substantial grant program designed to demonstrate the benefits and applications of technologies such as the Next Generation Internet that will improve the Nation's technological infrastructure.

Measure: Independent evaluation

Data Validation and Verification

Target:	Not applicable.
Data collection:	Formal evaluation contracts
Frequency:	Annual report
Data storage:	Reports printed and circulated posted on Web site.
Verification:	NTIA staff and grantees review data.
Comment:	NTIA faces significant challenges in attempting to quantify the economic and social benefits of each model that it supports through grant funding. NTIA continues to make progress at incorporating evaluation methods in its grant program where appropriate. NTIA requires all grant recipients to conduct objective evaluations of their projects; extension of grants to potential applicants is dependent in part on their proposed plans for evaluation. In addition, NTIA publishes reports, such as "Lessons Learned," that detail the experiences of grantees and further inform similarly situated entities.

Measure: Number of models / grants available for non-profit or public-sector organizations

Year	*1997*	*1998*	*1999*	*2000*	*2001*
Target	55	46	50	55	60
Actual	TBD	46	TBD	TBD	TBD

Data Validation and Verification

Data collection:	Formal evaluation contracts
Frequency:	Annual report
Data storage:	Reports printed and circulated posted on Web site.
Verification:	NTIA staff and grantees review data
Comment:	Number of models / grants available for non-profit or public sector use serves as a best quantifiable proxy for the impact of NTIA upon advancing technological solutions. The models demonstrate how to use the information infrastructure to benefit communities and individuals.

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NTIA

Advanced Telecommunications: Promote the availability and sources of advanced telecommunication and information services (cont.)

- Technology Infrastructure
- Critical Infrastructure

Means and Strategies

Strategy or Rationale	Means or Activity	Output Indicators
Stimulate technological innovation	Issue grants in a highly competitive, merit-based process Demonstrate advanced, innovative application of telecommunication and information technology in the non-profit and public sector Promote the growth of electronic commerce and Internet use domestically and internationally Initiate cooperative research and development	# of grants issued (55) # of demonstrations # of R&D supported projects # of reports on current telecommunication issues
Promote international acceptance of U.S. technological proposals	Participate in International Telecommunication Union and domestic standards, including the Asia Pacific Economic Cooperation's Telecom Working Group Participate in conferences urging minimal regulation and early adoption of electronic commerce and the Internet Establish a bilateral / multilateral exchange process to promote joint solutions to cross-border Internet policy issues	# of conferences participated in # of publicly circulated proposals for international conferences

Crosscutting Activities

- NA

External Factors

- Sovereign nations have their own views on proper ways to develop technologies, including standards setting. NTIA coordinates effective preparation of U.S. views for international conferences, prepares substantive scientific and technical justifications for proposals, and holds bilateral discussions in advance of conferences. These discussions involve all levels of staff including the Assistant Secretary.

Commerce Management Strategy: Success and Challenges

Introduction

Secretary Daley has personally made "effective, efficient management" a critical goal for the Department. Commerce has made significant progress in meeting this goal, and, although challenges remain, the Department is proud of its success in achieving the Secretary's vision.

Improving Our Management Effectiveness and Efficiency

When Secretary Daley took office, he immediately began to focus on improving the management of the Department. At the Secretary's direction, PriceWaterhouse compared Commerce's management practices with those of well-run public and private organizations and presented the Department with 46 recommendations to improve performance.

This process led to some reorganization and laid the foundation for our "Strategic Management Plan." This plan was collaboratively developed by the Secretary, the Chief Financial Officer/Assistant Secretary for Administration, Commerce bureaus, and our employees. The Strategic Management Plan focuses on seven elements that cut across the Department:

I. Supporting a successful Census 2000
II. Ensuring reliable and accurate Department-wide financial management
III. Making the most efficient use of information technology investments
IV. Implementing an integrated policy, planning, and budgeting process
V. Establishing a solid risk management program
VI. Improving customer service
VII. Creating a workplace that celebrates diversity and is free from discrimination

Secretary Daley is using the Department's 5-year Strategic Plan (submitted in September 1997) and our Strategic Management Plan as vehicles for management oversight, guidance, and tracking. We have been supplementing our efforts to improve management effectiveness through close and continuing dialogue between Departmental leadership and oversight offices, including the Office of the Inspector General (IG), the Office of Management and Budget, and the General Accounting Office (GAO). These organizations have brought valuable insights to the table, which we have been able to incorporate in our management plans.

This section of the APP outlines the progress we have made in each one of these seven areas and describes how we are addressing the challenges that still remain. We will continue to move aggressively to improve our management capabilities and to ensure that Secretary Daley's legacy is a well-managed, well-organized, effective Department of Commerce that provides superb service to the American public and business community.

I. Decennial Census

2000 Decennial Census

Our top management priority at Commerce is to ensure that the 2000 Census – which will hire some 300,000 staff and award some $1 billion in contracts – is managed effectively and efficiently. The Decennial effort — sometimes called the "management Olympics" – is the most complex mobilization our Nation faces short of war. Undertaking a project of this magnitude requires an enormous amount of organization, discipline, and attention to detail.

We are committed to making Census 2000 the most accurate Census ever. To do this, we have taken extensive steps to monitor and manage risks associated with personnel, payroll, real estate, civil rights, procurement, human resources, security, technology, accounting system, and other issues related to design. We have paid close attention to the guidance and criticism that aspects of the Census have received from the IG, the GAO and the U.S. Congress. In addition, the Department's senior managers (including the Deputy Secretary, Chief Financial Officer, Deputy Assistant Secretary for Administration (DAS – Admin), the Under Secretary of Economic Affairs and others) have personally conducted numerous regional site visits throughout the country and learned first-hand about the key issues on the front line including real estate, recruiting/hiring, security, data capture, automation problems, and field operations.

The Department's management approach to the Decennial includes several elements as outlined here:

Commerce Management Strategy: Success and Challenges (cont.)

- weekly briefings on management and budget issues from the Bureau of the Census
- twice-weekly management update meetings with the Under Secretary for Economic Affairs, the Chief Financial Officer, and the Deputy CFO-ASA
- oversight and monitoring of key contracts, technological decisions, and security issues
- Detailed attention to guidance and items raised by the IG and GAO, leading to their resolution
- Use of outside contractors/experts to check and approve key management decisions
- Use of an Executive Information System (currently being upgraded and improved) to track and monitor progress of the 3000 activities on the Master Activity Schedule
- Reliance on Business Case Analyses, conducted by the Bureau of the Census, to evaluate and resolve complex design and management issues
- Detailed analysis of the dress rehearsal, including particular attention to management items such as recruiting, costs and budget, performance of software and hardware in new information, performance of contracts, office leasing and performance of systems that track and capture cost information

The Bureau of the Census' detailed attention to logistics and management has contributed, in part, to the success of the dress rehearsal to date. The dress rehearsal has been conducted on a dual track (testing both traditional enumeration and supplemental scientific sampling methods) in three sites: Columbia, South Carolina; Sacramento, California; and the Menomonee Indian Reservation in Wisconsin. The dress rehearsal is a good management test because it encompasses the majority of activities involved in carrying out the Decennial, including: opening and staffing offices, administering a census, conducting follow-up, capturing data, counting hard-to-enumerate individuals, undertaking analysis, and evaluating procedures, systems, coverage, and other aspects of performance.

To date, the results of the dress rehearsal are much better than expected. Hiring and recruiting proceeded without problems, the enumeration was completed on time (or ahead of schedule), initial mail response met or exceeded predictions; and the effort came in on budget. We have issued our analysis of the results and will use the results to assist in validating and finalizing the Census 2000 plan.

The dress rehearsal also pinpointed a number of problems, largely technical, that must be fixed for the Decennial, including difficulties with the payroll scanning equipment and with bar-coding the long form questionnaire. The Bureau of the Census will use this information, as well as ongoing feedback from the field, to correct problems and to target areas that require continued vigilant oversight.

This Annual Performance Plan was developed before the recent Supreme Court ruling and assumes the use of sampling in the 2000 Census. Under that assumption, we are requesting a total Decennial budget of $2.8 billion, a $1.78 billion increase over FY 1999, for census implementation and associated audits. The Census Bureau will develop a plan in light of the Supreme Court ruling and estimates of any associated costs. This plan will include the use of statistical methods, as appropriate, to provide the most accurate census data possible.

II. Clean Financial Audits

Clean financial audits ensure against discrepancies in the Department's financial statements, and demonstrate that the Department is accurate and effective in accounting for the tax dollars it spends. This is one of the Secretary's top priorities. The FY 2000 request for this initiative is $ 2.1 million.

Financial Management

The Inspector General has raised concerns in FY 1997 that: (a) the Department's financial management structure was not effective in establishing financial management systems and controls and (b) CAMS was substantially over its original estimated cost and was continuing to experience unanticipated performance shortfalls and schedule delays.

To reduce expenditures and impose greater control over the CAMS program, the Department narrowed the scope of CAMS to the Core Financial System plus integrated modules for purchase cards, small purchases, and time reporting and labor cost distribution. The Department also curtailed Department-wide implementation while one bureau (Census) implemented the CAMS software as a full-

Commerce Management Strategy: Success and Challenges (cont.)

scale pilot during fiscal year 1998. Booz-Allen & Hamilton, Inc. subsequently completed an Independent Verification and Validation (IV&V) of the pilot, and determined that CAMS was a success. A cost/benefit/risk analysis showed that CAMS could provide comparable, or better, data for the Department than other alternatives. The Department will soon decide on the best path for moving forward with CAMS at other bureaus in the Department.

In addition, the Department has taken steps to improve its overall financial management structure, controls and procedures. The Department prepared Corrective Action Plans (CAPs) that have begun to solve the problems in these areas at both the Department and bureau levels. The Office of the Chief Financial Officer has worked closely with the bureaus to hire bureau Chief Financial Officers (CFOs). The Commerce CFO established a policy to provide 40 hours of relevant training to all financial management personnel. The Department updated its Accounting Handbook for all financial management standards and applicable interpretations issued by the Federal Accounting Standards Advisory Board, OMB, and Treasury. In addition, the Department has undertaken a variety of actions (such as improving financial management procedures and holding meetings within the Department's financial community to provide a forum to improve communications and set priorities) to improve the timeliness and accuracy of data. The Department's leadership and financial management team are committed to accomplishing Secretary Daley's goal of obtaining a clean opinion for the Department's FY 1999 consolidated financial statements.

For FY 1999, Commerce bureaus received more favorable audit opinions than they did the previous year. The auditors gave a 43 percent decrease in material weaknesses, meaning that the data and/or process do not conform to accounting standards. The next set of results -- for FY 1998 -- will not be known until March of 1999.

III. Digital Department / Information Technology

Modernizing the Department's information technology infrastructure will expand the range of electronic options available to each bureau, establish Department-wide systems, and enable Commerce to process and disseminate information via the most convenient media for its customers. Secretary Daley has set forth his vision for a "Digital Department", which leads the U.S. government into the 21st Century. The FY 2000 request for this initiative is $4.0 million.

The challenge of creating a "Digital Department" has many aspects. These include the creation of a fiber optic backbone and unified network architecture for all appropriate Commerce buildings, consolidation of telecommunications infrastructure across bureaus, creation of a smart-card based physical and security access program, and the leveraging of the knowledge-based infrastructure to ensure that all Department documents are electronically published, categorized, and easily accessible.

FY 2000 Budget in CD-ROM Format

This is the first year in which the Department of Commerce has submitted the Secretary's proposed FY 2000 Budget in a CD-ROM version in addition to the usual printed document. This "digital" version of the Secretary's FY 2000 Budget demonstrates the Department of Commerce's commitment to the advancement of the information age and the expanded accessibility for all Commerce stakeholders and the public to key Commerce documents. The Department also incorporated a CD-ROM version of its Annual Performance Plan as part of the submission of the President's Budget to Congress. Also, the FY 2000 Budget and the Annual Performance Plans are linked electronically on the Commerce website.

Year 2000 Problem

The Inspector General raised concerns that: (a) most of the Department's accounting and feeder systems use two-digit year dates that will become inaccurate beyond December 31, 1999 and (b) if the problem is not corrected, there is serious risk that the Department's mission-critical computer applications will cease functioning properly.

To address these issues, the Department assumed responsibility for centrally managing the Year 2000 (Y2K) Program and is providing policy guidance and oversight to the bureaus which, in turn, are responsible for assessment, renovation, testing/validation, and implementation activities. Schedules have been defined for each of these phases.

Commerce Management Strategy: Success and Challenges (cont.)

As of November 1998, the Department had:

- Determined that 80 percent of its mission critical systems were compliant with Y2K requirements
- Completed 71 percent of necessary renovations (converting applications, replacing databases and utilities and codifying interfaces)
- Completed 60 percent of the testing, verifying, and validating of converted platforms, applications, databases and utilities
- Completed 59 percent of the implementation of converted or replaced platforms, applications, databases, utilities, and interfaces
- Received a "B" rating from Congressman Steve Horn (R-CA) as part of a government-wide study of Y2K problems, and OMB raised the Department's performance to Tier 2 status ("Making satisfactory progress")

The Department continues to aggressively address the Y2K problems and anticipates meeting the Office of Management and Budget deadline for Y2K compliance by March of 1999, with the exception of one system. The Classified Search and Image Retrieval (CSIR) system will be completed by June 30, 1999. A contingency plan is in place for this system.

IV. Integrated Policy, Planning and Budget Process

This Commerce-wide goal is to establish a framework and schedule for linking policy, planning, and budget activities together to assist the Secretary in leading a cohesive set of Department programs.

This strategy includes a performance reporting system at the Deputy Secretary and the CFO/ASA levels. The Deputy Secretary's performance reporting system will use guidance from the Secretary and the Executive Management Team. The CFO/ASA's performance reporting system will include all aspects of GPRA implementation and the planning, management, and budget processes.

Government Performance and Results Act

Under the requirements of the Government Performance and Results Act (GPRA), the Department prepared its first Strategic Plan in September of 1997 and its first Annual Performance Plan (APP) in February of 1998. The Department's APP was subjected to considerable review and comment by OMB, GAO, and Congressional staff. The major theme of these comments was that the Department should strengthen its performance measures, develop more credible performance information, and link performance information more clearly to programs, as they are authorized, appropriated, and understood, by the Congress.

Following consultations with OMB and GAO, the Department contracted with Andersen Consulting to assist Commerce in strengthening its overall APP process, and integrating the development of the APP more directly into the Department's budget process. All bureaus participated in an intensive process that enabled us to achieve a breakthrough in the way we identify performance measures. The Department refined and sharpened its forthcoming FY 2000 APP by:

- Reducing strategic goals from 47 to 34 and decreasing the number of performance measures by 63 percent (thereby focusing on the most important activities)

- Increasing outcome-oriented measures from 22 percent to 56 percent, while dropping 165 process measures (thus allowing a more accurate gauge of impact or results, relative to activity)

These and related improvements will provide a more strategic basis for assessing the benefits of the Department's program activities and will make GPRA more relevant to Commerce managers in helping to evaluate and manage programs.

V. Risk Management

The goal of the Department of Commerce in the area of "risk management" is to focus management attention on the most important issues first – that is, to manage big risks first. Our philosophy is to avoid having "dollars

Commerce Management Strategy: Success and Challenges (cont.)

chasing dimes" during our risk management review process. Not only is it our goal to intervene in the high-risk areas first, but we also want to make the process by which we conduct our risk management add value to the bureaus involved. We also have engaged in a risk management process that supplies a key ingredient of accountability to proactively implement the Secretary's management agenda, rather than merely reacting to problems identified by the IG. Commerce management has developed the capability and capacity to carry out this function in two ways:

- By building on the problem solving and analytical skills of existing career personnel within the Department
- By partnering with the private sector to provide the Department technical skills in the areas of information technology and security

NOAA Satellite Programs

The Department took steps to address IG, OMB, and GAO concerns with the financial management of NOAA satellite programs. As a result, forward funding requirements have been reduced and NOAA now provides regular financial reports which ensure greater accountability in the use of resources, by providing timely identification of surpluses, deficits, and other variations from planned spending.

Procurement Management

The Inspector General raised concerns in FY 1997 concerning the Department's acquisition management functions. The Inspector General cited the Department for a number of significant procurement abuses, for failing to provide strong, central procurement leadership, and lack of effective oversight of information technology issues.

In response, the Department's senior managers have increased attention to acquisition management, changed key personnel, and developed a commonly shared vision of the importance of integrity and teamwork among acquisition management professionals. The need for effective risk management of the Department's procurement activities was included among the recently developed strategic initiatives of the Office of the Chief Financial Officer (CFO). The CFO, Deputy CFO-ASA, and their staff implemented new operational and policy changes which link these changes to individual performance plans and which support newly-broadened working relationships among all pertinent Department offices, bureau offices, and program customers. These changes have been contributing to significant decreases in the time needed to complete complex procurements. At the same time, the Department reversed recent practices that had limited its oversight of bureau acquisition management. These actions have contributed to the Department's procurement community receiving three of the Vice President's Hammer Awards and to the Inspector General *dropping* procurement as a management concern.

In addition, Commerce has embarked on an ambitious and innovative program to increase the amount of contract dollars awarded to minority firms. The Deputy Secretary, Deputy CFO-ASA, and the procurement team are using goal-setting, the OSDBU outreach process, and organizational reform to increase the number of minority firm bidders and opportunities.

Administrative Service Centers (ASCs)

The Department conducted a comprehensive review of our ASCs nationwide. The Centers are comprised of over 450 FTEs and over $26 million of direct costs, and provide administrative services to all Department field employees. The study involved work teams led by the ASC directors; involved every field employee through a customer satisfaction survey; and was based on extensive communication with ASC frontline employees. The Department took the recommendations, which were developed during the study, into a GE-style workout and addressed them in a 1-day period. These recommendations covered six management areas:

- Customer Satisfaction
- Automation
- Organizational Alignment
- Financial Performance
- Human Resources Improvement
- Departmental Policy

The Department is currently monitoring the implementation of these recommendations.

Commerce Management Strategy: Success and Challenges (cont.)

NOAA Fleet

The Inspector General raised concerns in FY 1997 that: (a) most of NOAA's planned fleet investment and expenditures are wasteful and should not be made, (b) NOAA can obtain better data collection and ship services at lower cost if it acquires these services from the private sector, and (c) outsourcing would give NOAA program managers greater access to the latest technologies and more cost-effective platforms.

The Department has taken an active role in overseeing NOAA's efforts to develop alternatives to maintaining the NOAA fleet. In FY 1998, NOAA outsourced 1,771 of its Days at Sea (DAS)— 35 percent of its total DAS. In addition, NOAA plans to outsource 1,803 DAS in FY 1999. NOAA established a Memorandum of Agreement (MOA) with university vessel operators. The MOA calls for the joint scheduling of NOAA and university oceanographic research ships. This permits greater access to both NOAA and university scientists to the most cost-efficient vessels available. Over the past few years, NOAA has decommissioned one-half of its hydrographic fleet and is contracting with the private sector for much of its hydrographic data requirements. If funding is available, NOAA expects to contract out at least 50 percent of its hydrographic survey needs beginning in FY 1999.

NOAA has forecast the following data acquisition needs through 2008 to meet current mission requirements for its fisheries programs:

- NOAA will require capacity for 6,005 DAS to carry out its fisheries and marine mammal assessment surveys
- Replacement vessel capacity of 1,080 to 1,620 DAS will be needed as NOAA's current fisheries research vessels reach the end of their useful lives
- At least 3,489 DAS — 58 percent of the total — can be met by charters and University-National Oceanographic Laboratory System (UNOLS) ships
- 700 DAS — 12 percent of the total — can be met through cooperative state and foreign programs

In addition, the oceanographic and coastal monitoring mission areas will continue to outsource to meet requirements. These projections reflect approximately 50 percent outsourcing.

NOAA indicates that — depending on cost efficiencies and program requirements — the replacement capacity may or may not be met through vessels owned and operated by NOAA. In FY 2000, NOAA is requesting funds for the construction of one new acoustically quiet fisheries research vessel.

Facilities Management

The Inspector General raised concerns about the need for stronger Department oversight of long-term facilities planning among the bureaus, including the National Institute of Standards and Technology's (NIST's) Capital Improvement Facilities Program, the consolidation of Patent and Trademark Office (PTO) headquarters offices, and the nationwide acquisition of office space needed to support the 2000 Decennial Census.

The Department improved its oversight of the Capital Improvements Facilities Program (CIFP) and has taken a more active role in reviewing CIFP budget requests. The Department and NIST used Booz-Allen & Hamilton, Inc. (BAH) to review NIST's plan for upgrading its laboratory facilities. The contractor found that *without intervention, the performance deterioration caused by facilities inadequacies will seriously impede, if not invalidate, NIST's ability to maintain standards in weights and measures*. The Department and NIST worked on formulating budget requests that would provide adequate facilities in a cost-efficient manner. In February of 1998, the Department and NIST submitted a Facilities Improvement Plan to Congress, as part of the President's FY 1999 budget. In FY 2000, we plan to construct the Advanced Measurement Laboratory and to increase funding for safety, capacity, maintenance, and major repairs in order to reach a base level of $60 million in fifteen years (as recommended by BAH).

Over the past several years, the PTO developed plans for consolidating its headquarters offices from space in 17 buildings (with 32 leases) to a single campus with one lease in eight (or less) buildings. The consolidation efforts have been directed at meeting space expansion needs with reasonable proximity to Metrorail (a Congressional requirement), through competition (to help ensure

Commerce Management Strategy: Success and Challenges (cont.)

the best value), and on one campus (to support operating efficiencies). In May of 1998, Secretary Daley provided Congress with an independent assessment of the PTO space acquisition project. The findings supported the PTO's space requirements. A lease is scheduled to be awarded in December of 1998, with the expectation of consolidation leading to savings $72 million over the twenty-year lease.

Every ten years, the Bureau of the Census faces a major challenge in acquiring acceptable, short-term office space across the Nation to support the Decennial Census. Census plans call for acquiring: (a) 130 early opening local Census offices, (b) 401 Census rural field offices, and (c) more than 350 other offices. To help meet these demands for space, the Bureau of the Census initiated an innovative partnership with the General Services Administration (GSA) to arrange for the availability of suitable space for the first two categories. This partnership agreement specifically defines respective GSA and Bureau of the Census roles and responsibilities, the leasing process, and special Bureau of the Census requirements.

As of mid-September of 1998, the GSA had arranged for leases of 98 percent of the early opening local Census offices and 100 percent of the Census rural field offices. After assessing GSA's performance on obtaining these leases, the Bureau of the Census will determine whether to ask GSA to acquire the remaining Census offices or to conduct its own effort.

The Department has taken an active role in overseeing all preparations for the Decennial Census, including the leasing project. A Departmental realty specialist works on-site at Census headquarters three-to-four days a week monitoring space tracking systems, attending meetings, and providing whatever Departmental assistance is needed. The Department's efforts will continue through the duration of the Decennial.

Field Office Streamlining

The Department of Commerce, through its field office structure, has a significant presence outside the Washington, D.C. metropolitan area, including a field office presence in all 50 states and in some U.S. territories and foreign countries. Approximately 43 percent of the Department's employees, or about 14,500 personnel, are located in domestic field offices. It is through this network of field offices that many of our Department programs and services are delivered.

As part of the overall effort to improve Departmental management of programs and the delivery of services to customers, the Deputy Secretary requested selected bureaus to submit field office streamlining implementation plans. Those selected bureaus, including BXA, EDA, ITA, MBDA, and NOAA, were directed to review their current field office structure and assess the potential for streamlining and improving service delivery through consolidation, collection, cross-servicing, or other alternative configurations. Upon completion of the proposed Weather Service modernization program, and the restructuring of the MBDA field offices at the end of FY 1999, the number of domestic field offices will be reduced from a base of 849 to 639 – a reduction of 25 percent.

National Weather Service Modernization

The Inspector General raised concerns that the Advanced Weather Interactive Processing System (AWIPS) was experiencing serious difficulties — continual cost growth, schedule delays, management instability, and sluggish technical progress.

To address these and other concerns, the Department completed a detailed evaluation of the National Weather Service (NWS) budget and operations. General Kelly, a former director of the U.S. Air Force Weather Service with more than 30 years experience, conducted this review.

Based on the review, Secretary Daley directed the NWS to implement reforms to improve services and reduce costs, including the creation of a new position for a Chief Financial Officer to improve financial management, refine projected schedules, and clarify program management responsibilities. Subsequently, Secretary Daley was able to certify to Congress that the Department and NOAA would be able to complete modernization with the deployment of 154 AWIPS systems nationwide within the $550 million Congressionally imposed cap.

Modernization remains on schedule, with both development and deployment planned for completion by June 30, 1999. Currently 56 AWIPS systems are installed and an additional six systems are scheduled for deployment by September 30, 1999 for a total of 62.

Commerce Management Strategy: Success and Challenges (cont.)

Security

As a result of weaknesses in the Department's security program, the Department conducted an internal review of its security clearance procedures. The resulting document, known as the Reinsch report, included 35 recommendations, such as developing an automated system to track classified documents; conducting physical inventories of classified materials in 1200+ classified storage containers nationwide; conducting zero-based clearance reviews of all full-time and part-time positions that currently require a clearance; and conducting a comprehensive evaluation of the effectiveness of security operations.

Following delivery of the Reinsch report, Secretary Daley commissioned an external review, led by the Security Policy Board (SPB), of the Department's overall security program. The SPB initiated an assessment of the security program of the entire Department, including all operating units that perform any security functions. The SPB team's report recommended: dedicating a higher-level manager with undivided attention to the security program, centralizing control of all security functions in the Department, and improving operational deficiencies in each of eight programmatic areas.

Secretary Daley has acted on each of these recommendations. First, he created a new career management position, the Deputy Assistant Secretary for Security, and hired an impressive individual to fill this job. Second, the Department has consolidated all security personnel under Office of Security supervision.

Third, operational control of personnel took effect on September 1. Administration and budget transfers, which have been approved by the Office of Management and Budget, will become effective on October 1, 1998. The Department reduced the number of security clearances from 5, 415 in November of 1997 to approximately 3,260 — a 40 percent decrease, and further reductions will be made. Under new procedures, security clearances are being granted only on a strict "need-to-know" basis.

Under the direction of the new DAS-Security, the Department is moving rapidly and aggressively to complete physical inventories of classified materials, to inventory and bar-code equipment, and to complete the recommendations in the Reinsch Report and the SPRB.

VI. Customer Focus

The Commerce management strategy aims at improving customer service throughout the Department by engaging our clients, stakeholders, and employees in developing, delivering and evaluating first-rate, world-class services. This customer focus will renew the Department's and each bureau's efforts to improve customer service in a demonstrable and measurable way.

The Advanced Technology Program (ATP)

The Inspector General recommended that the program: (a) provide for the availability of funds through the life of projects and (b) ensure that grantee's accounting practices are consistent with federal-cost reimbursement policies. The Department took steps to resolve these concerns and Secretary Daley made several important operational and policy changes to improve the impact and cost-effectiveness of the ATP, such as encouraging state participation in ATP awards, increasing the cost-share ratio for large (Fortune 500) single applicants, and working with the private sector venture capital community to ensure the ATP does not fund projects which can be supported by private capital.

NOAA Corps

The National Partnership for Reinventing Government recommended reducing the size of the NOAA Corps to achieve savings of $35.2 million in expenditures. The Inspector General also recommended undertaking reductions to achieve significant savings and management efficiencies. The Department and NOAA downsized the Corps from 415 in FY 1994 to 299 in FY 1997, achieving an annual savings of $6 million. Following consultations with Congress, the Department and NOAA announced, in June 1998, plans to restructure the Corps. The intent of this restructuring was to ensure that NOAA's fleet operations are cost efficient, effective, and responsive to its customers and the changing nature of federal, academic, and industry partnerships. The Corps was restructured and is being maintained at a reduced level to support NOAA's fleet and aircraft operations.

Commerce Management Strategy: Success and Challenges (cont.)

VII. Organizational Structure, Development and Diversity

A key aspect to maximizing all employees' contributions to the Department's goals and objectives is to enhance their understanding of how those goals and objectives relate to their individual jobs. Commerce's Office of Administration has initiated a pilot Individual Development Plan (IDP) project that helps make that crucial linkage: managers and employees align their career goals and IDP learning activities specifically to objectives in their organization's strategic plan. As each organization's strategic plan is designed to support the overall Department's APP, this pilot has great potential to infuse the organization with a significantly enhanced capacity to support the Department's strategic plan.

One of the Department's core values is a firm commitment to promote true diversity. Our employees know this by both words and actions. Secretary Daley has articulated this value in a policy statement to all Commerce employees and the Department has a range of specific initiatives designed to promote diversity. These include a Post-Secondary Internship Program which serves as a pipeline program for the Department's recruitment initiatives and which draws a significant candidate pool from Minority Serving Institutions (MSI). Additionally, our programs and activities with Historically Black Colleges and Universities (HBCUs), Hispanic Serving Institutions (HSIs) and American Indian Tribal Colleges and Universities are designed to enhance the capacities of MSIs to support the mission(s) of the Department, and provide opportunities for faculty exchanges, internships for students and faculty, and the donation of excess scientific and educational equipment to MSIs. Our Hispanic Initiative focuses on the implementation of the Office of Personnel Management's (OPM) Nine-Point Plan to increase the number of qualified Hispanic candidates for federal positions.

In FY 1999, the Department of Commerce is partnering with the National Partnership for Reinventing Government (NPR) to conduct a comprehensive study of ways to enhance diversity in the Federal government. As part of the overall effort, Commerce and NPR will sponsor a benchmarking study, which is intended to identify best practices being employed in the public and private sectors to achieve workforce diversity. This is a first-of-its-kind joint effort to look for practical, workable solutions to provide equal opportunity and a level playing field for all Americans at Commerce.

Appendix 1

Minor Adjustments to the Strategic Plan

There are three minor changes in the text of Department of Commerce's mission and three strategic themes that clarify their meaning. First, in the mission statement, the word "business" has been changed to the plural "businesses" to match the other entities in the sentence. Second, in the Science, Technology and Information theme, the words "an unrivaled" are changed to "a world-class." Third, in the Stewardship of Resources and Assets theme, the word "opportunities" is changed to "opportunity."

An additional adjustment is the abbreviated mission statement on the diagram at the end of Part I. This adjustment is for visual presentation purposes only.

The following tables serve as a crosswalk between each bureau's FY 1999 and FY 2000 goals. The number of goals decreased from 47 to 34. Some goals were eliminated, others combined, and still others were reworded to better convey their meaning. Those goals that were changed slightly have been labeled as "similar." Explanations are provided for those FY 1999 goals that were eliminated.

Economic Development Administration

Comments: Through the consolidation of activities, EDA has reduced the number of its goals from 7 to 2 to be more strategic and more focused on outcome measurement.

FY 1999 (7 goals)	FY 2000 (2 goals)
3.1 Establish, retain, or expand commercial, industrial, and high technology enterprises to stimulate the creation of private sector jobs for unemployed and underemployed residents of economically distressed areas. (Theme 1)	The FY 1999 goal has been reworded to be more concise, and to embrace the many aspects of economic distress that EDA works to eliminate."Create jobs and private enterprise in economically distressed communities." (Theme 1)
3.2 Help distressed communities adversely affected by defense-related downsizing, natural disasters or economic dislocation and build their capacity to stimulate, maintain, or expand economic growth. (Theme 1)	The FY 1999 goal has been incorporated into the FY 2000 goal. "Create jobs and private enterprise in economically distressed communities." (Theme 1)
3.3 Provide new knowledge, analyses and technical information, which serve both to assess economic development problems and to mobilize Non-Federal resources for their solutions at the local level. (Theme 1)	The FY 1999 goal has been subsumed under the more strategic FY 2000 goal. "Build community capacity to achieve and sustain economic growth" (Theme 1)
7.1 Help both rural and urban communities incorporate technology as a tool for their economic development. (Theme 2)	The FY 1999 goal has been subsumed under the broader FY 2000 goal. "Build community capacity to achieve and sustain economic growth." (Themes 1 and 2)

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

Economic Development Administration (cont.)

FY 1999	FY 2000
4.1 Enable communities that have acquired military installations during the recent defense downsizing to convert their use to civilian functions for local economic benefit. (Theme 3)	The FY 1999 goal has been subsumed under the broader FY 2000 goal: "Build community capacity to achieve and sustain economic growth." Military downsizing is only one of many reasons for the economic distress EDA seeks to eliminate. (Themes 1 and 3)
4.2 Enable communities to achieve long-term economic recovery from the devastation of their productive resources by natural disasters. (Theme 3)	The FY 1999 goal has been subsumed under the broader FY 2000 goal: "Build community capacity to achieve and sustain economic growth." Natural disaster is only one of many reasons for the economic distress EDA seeks to eliminate. (Themes 1 and 3)
4.3 Enable distressed communities to practice and implement sustainable economic development. (Theme 3)	The FY 1999 goal has been subsumed under the more strategic FY 2000 goal. "Build community capacity to achieve and sustain economic growth" (Themes 1 and 3)

Economics and Statistics Administration

Comments: ESA has reduced the number of its goals from 5 to 2, consolidating goals so that they apply to both Census and BEA.

FY 1999 (5 goals)	FY 2000 (2 goals)
2.1 (BEA) Strengthen the public's understanding of the U.S. economy and its competitive position by improving Gross Domestic Product (GDP) and other national, regional, and international economic accounts data. (Theme 1)	(similar goal) Provide quality data. (Themes 1 &2)
2.2 (Census) Improve national and local census and survey data through better business practices and public cooperation. (Theme 1)	(similar goal) Provide quality data. (Themes 1 &2)
5.1 (BEA) Provide Gross Domestic Product (GDP) and related national, regional, and international economic statistics in the most accurate, timely, cost-effective, and easily accessible way possible. (Theme 2)	(similar goal) Provide timely and relevant data. (Themes 1 &2)
5.2 (Census) Provide products and services of greater value and satisfaction to Census national and local information base customers. (Theme 2)	(similar goal) Provide timely and relevant data. (Themes 1 &2)
5.3 (ESA) Provide information on economic events and the workings of the economy. (Theme 2)	Collapsed under "Provide timely and relevant data" as an approach.

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

International Trade Administration

Comments: ITA has held the number of its goals constant between FY 1999 and FY 2000, adding one goal and eliminating another. ITA now only supports Strategic Theme 1.

FY 1999 (4 goals)	FY 2000 (4 goals)
1.1 Implement the President's National Export Strategy in conjunction with the Trade Promotion Coordinating Committee. (Theme 1)	Implement the President's National Export Strategy in conjunction with the TPCC. (Theme 1)
1.2 Enforce U.S. trade laws and agreements to promote free and fair trade. (Theme 1)	Enforce U.S. trade laws and agreements to promote free and fair trade. (Theme 1)
1.3 Strengthen and institutionalize trade advocacy efforts, placing special emphasis on the "Big Emerging and major projects. (Theme 1)	Strengthen and institutionalize our trade promotion and advocacy efforts. (Theme 1)
	(new goal) Increase the number of small business exporters. (Theme 1)
6.1. Employ ITA's comprehensive industry sector, technical, and country information bases to counsel U.S. firms (especially small and medium-sized firms) on appropriate export strategies, and provide comprehensive and up-to-date information to these firms to support business strategies, and related analyses to the USTR for trade negotiations. (Theme 2)	NA - This goal consists of strategies to accomplish the other goals.

Bureau of Export Administration

Comments: BXA has reduced the number of its goals from 4 to 3, eliminating a redundant goal under Theme 2. BXA now only supports Strategic Theme 1.

FY 1999 (4 goals)	FY 2000 (3 goals)
1.4 Restructure export controls for the twenty-first century. (Theme 1)	Restructure export controls for the twenty-first century. (Theme 1)
1.5. Maintain a fully effective law enforcement program and protect U.S. national security, foreign policy, nonproliferation of dual-use commodities, counter-terrorism, nonproliferation of chemical weapons, and public safety interests. (Theme 1)	Maintain a fully effective law enforcement program and protect U.S. national security, foreign policy, nonproliferation of dual-use commodities, counter-terrorism, nonproliferation of chemical weapons, and public policy. (Theme 1)
1.5 Facilitate transition of defense industries. (Theme 1)	Facilitate transition of defense industries. (Theme 1)
6.2 Restructure export controls for the twenty-first century, and facilitate transition of defense industries. (Theme 2)	*NA - This goal was a combination of 1.4 and 1.6 listed above.*

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

Minority Business Development Agency

Comments: The MBDA has maintained its strategic focus using the same two goals for each year.

FY 1999 (2 goals)	FY 2000 (2 goals)
4.1 Improve opportunities for minority-owned businesses to have access to the marketplace. (Theme 1)	Improve opportunities for minority-owned businesses to have access to the marketplace. (Theme 1)
4.2 Improve the opportunities for minority-owned businesses to pursue financing. (Theme 1)	Improve the opportunities for minority-owned businesses to pursue financing. (Theme 1)

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

National Oceanic and Atmospheric Administration

Comments: NOAA has maintained the same number of goals.

FY 1999 (7 goals)	FY 2000 (7 goals)
8.1 Promote safe navigation by revolutionizing U.S. marine and air navigation, mapping and surveying; assist commercial shipping in moving increased cargoes safely and efficiently; and provide a precise satellite-derived reference system as the basis for the Nation's geographical positioning needs. (Theme 1)	Promote safe navigation. (Theme 1)
8.2 Improve short-term warning and forecast products and services to enhance public safety and the Nation's economic productivity by enhancing the ability to observe, understand, and model the environment, and effectively disseminate products and services to users. (Theme 1)	Advance short-term weather warnings and forecasts. (Theme 1)
2.1 Implement seasonal to interannual climate forecasts. (Theme 2)	Implement seasonal to interannual climate forecasts. (Theme 2)
2.2 Predict and assess decadal to centennial change. (Theme 2)	Predict and assess decadal to centennial change. (Theme 2)
1.1 Build sustainable fisheries that increase the Nation's wealth and quality of life, support increased fishing industry job opportunities, improve the safety and wholesomeness of seafood resources, and expand recreation opportunities. (Theme 3)	Build sustainable fisheries. (Theme 3)
1.2 Recover protected species through conserving marine species, recovering those in danger of extinction, and maintaining healthy marine ecosystems upon which they depend. (Theme 3)	Recover protected species. (Theme 3)
1.3 Sustain healthy coasts to promote more productive and diverse habitats for fish and wildlife, cleaner coastal waters for recreation and the production of seafood, and achieve sustainable economies for coastal communities based on well-planned development and healthy ecosystems. (Theme 3)	Sustain healthy coasts. (Theme 3)

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

Patent and Trademark Office

Comments: PTO has increased the number of its goals from 3 to 4. PTO separated one of its goals into two to better convey its intent.

FY 1999 (3 goals)	FY 2000 (4 goals)
6.1 Help protect, promote, and expand intellectual property rights systems throughout the U.S. and abroad. (Theme 1)	Help protect, promote, and expand intellectual property rights systems throughout the U.S. and abroad. (Theme 1)
3.1 Promote awareness of, and provide effective access to, patent and trademark information. (Theme 2)	Promote awareness of, and provide effective access to, patent and trademark information. (Theme 2)
2.1 Grant exclusive rights, for limited times, to inventors for their discoveries, and enhance trademark protection. (Theme 3)	(split into 2 goals) Grant exclusive rights, for limited times, to inventors for their discoveries. (Theme 3)
	Enhance trademark protection. (Theme 3)

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

Technology Administration/National Institute of Standards and Technology

Comments: TA/NIST have reduced the number of their goals from 8 to 6.

FY 1999 (8 goals)	FY 2000 (6 goals)
5.1 Provide technical leadership for the Nation's measurement and standards infrastructure, and assure the availability of essential reference data and measurement capabilities. (NIST MSL) (Theme 1)	(similar goal) Assure and improve measurements and standards: Provide technical leadership for the Nation's measurement and standards infrastructure, and assure the availability of essential reference data and measurement capabilities. (NIST MSL) (Theme 2)
5.2 Improve the technological capability, productivity, and competitiveness of small manufacturers. (NIST MEP) (Theme 1)	(similar goal) Assist small manufacturers: Improve the technological capability, productivity, and competitiveness of small manufacturers. (NIST MEP) (Theme 1)
5.3 Assist U.S. businesses in continuously improving their productivity and efficiency by adopting quality management practices. (NIST NQP) (Theme 1)	(similar goal) Promote performance and quality management: Assist U.S. businesses in continuously improving their productivity and efficiency by adopting performance and quality management practices. (NIST NQP) (Theme 1)
5.4 Accelerate technological innovation and the development of new technologies that underpin future economic growth. (NIST ATP) (Theme 1)	(similar goal) Stimulate advanced technologies: Accelerate technological innovation and the development of new technologies that underpin future economic growth. (NIST ATP) (Theme 2)
5.5 Coordinate and lead Presidential initiatives and interagency efforts to enhance industry competitiveness in partnership with industry, academia, and the States. (US/OTP) (Theme 1)	(this goal was collapsed as a strategy under the goal) Analyze and develop technology policies: Improve technology's contribution to U.S. competitiveness, economic growth, and job creation through the analysis, development, advocacy, and implementation of national technology policies and programs. (US/OTP) (Theme 2)
1.1 Partner with industry to accelerate the development and application of cutting-edge technologies. (NIST MSL, MEP, & ATP) (Theme 2)	Collapsed as a strategy under the goal: Analyze and develop technology policies: Improve technology's contribution to U.S. competitiveness, economic growth, and job creation through the analysis, development, advocacy, and implementation of national technology policies and programs. (US/OTP) (Theme 2)
1.2 Collect, preserve, and disseminate government technical, scientific, and business information. (NTIS) (Theme 2)	Collect and disseminate technical information: Collect, preserve, and disseminate government technical, scientific, and business information. (NTIS) (Theme 2)
1.3 Conduct domestic and international policy analyses on issues affecting the research, development, and commercialization of technology and related issues affecting U.S. competitiveness and in partnership with industry, academia, and the States develop policy options to improve U.S. economic growth, job creation and quality of life. (US/OTP) (Theme 2)	(similar goal) Analyze and develop technology policies: Improve technology's contribution to U.S. competitiveness, economic growth, and job creation through the analysis, development, advocacy, and implementation of national technology policies and programs. (US/OTP) (Theme 2)

Appendix 1

Minor Adjustments to the Strategic Plan (cont.)

National Telecommunications and Information Agency

Comments: NTIA has reduced the number of its goals from 7 to 4 in an effort to be more strategic and better focused on outcomes.

FY 1999 (7 goals)	FY 2000 (4 goals)
7.1 Support the development of a National Information Infrastructure (NII) that will be accessible to all Americans. (Theme 1)	This goal was consolidated into the following new goal: Public interest: Advance the public interest in telecommunications, mass media, and information. (Themes 1 & 2)
7.2 Advocate international telecommunications policies to help open international markets and promote U.S. interests. (Theme 1)	(similar goal) Open markets: Promote open markets and encourage competition. (Theme 1)
7.3 Set policies for efficiently and effectively managing the Federal use of the radio spectrum, and prepare for international radio spectrum setting conferences of the ITU. (Theme 1)	(similar goal) Radio spectrum assignments: Ensure spectrum provides the greatest benefit to all people. (Theme 3)
7.4 Provide leadership in developing telecommunications policy initiatives in emerging areas of national priority. (Theme 1)	This is an approach to the following goal: Advanced telecommunications: Promote the availability and sources of advanced telecommunications and information services. (Theme 2)
4.1 Support the development of a National Information Infrastructure (NII) that will be accessible to all Americans. (Theme 1)	This goal was consolidated into the following new goal: Public interest: Advance the public interest in telecommunications, mass media, and information. (Themes 1 & 2)
4.2 Engage in technical research to improve telecommunications system planning, design, and evaluation and to support government and industry efforts in these areas. (Theme 2)	This is an approach to the following goal: Advanced telecommunications: Promote the availability and sources of advanced telecommunications and information services. (Theme 2)
3.1 Promote the development of an advanced telecommunications and information infrastructure to efficiently serve the needs of all Americans, create job opportunities for American workers, and enhance the competitiveness of U.S. industry in the global marketplace. (Theme 3)	(similar goal) Advanced telecommunications: Promote the availability and sources of advanced telecommunications and information services. (Theme 2)

Appendix 2

Preparation of the Annual Performance Plan

The Department of Commerce has taken a fundamentally different approach to the APP this year based on guidance from OMB, GAO, and Congressional staff. During the summer of 1998, the bureaus prepared their FY 2000 APP submission in conjunction with the FY 2000 budget. Based on information from these submissions, as well as the budget and performance decisions, the FY 2000 APP was developed.

This year, the Deputy Secretary has made the Annual Performance Plan one of his top management priorities. Together with the Department's GPRA Task Force (involving members from each bureau, the Office of Inspector General and the Office of the Secretary) and Andersen Consulting, a small team of senior level policy officials and the Office of Budget has worked to strengthen the Department's goals and performance measures. These new goals and measures are more precise and more relevant for managing our programs. In addition, we have better integrated the APP process into the budget process. The Department also sought the active involvement of the bureau heads in the development of the plan.

For FY 2000, the APP has undergone a significant redrafting from what was submitted for FY 1999. Goals have been added, subtracted, or aggregated. For a complete discussion of these changes in goals, please see Appendix 1, "Minor Adjustments to the Strategic Plan." A later submission to OMB and the Congress, containing revisions to the FY 1999 APP in the form of an addendum, will reconcile differences in performance measures between FY 1999 and FY 2000.

Stakeholder and Congressional Consultation

After the submission of the FY 1999 Annual Performance Plan to Congress, the Department participated in several meetings with GAO, OMB and Congressional staff to discuss the document and receive input on how to improve the APP. The major areas identified for improvement included:

- Reduction in the number of goals and performance measures, and improvements in their quality (more outcome-based)
- Data verification and validation of performance measures
- Linking activities and strategies to outcomes
- Identification of Cross-cutting areas and areas of program evaluation
- More cohesive treatment of clearly recognized programs within the APP
- Improved linking with resource requirements

With these areas defined, the Department began working on a new structure for the plan that could meet the needs of the bureaus as well as provide the information that OMB, GAO and Congressional staff sought.

Requests for Administrative Waivers

None.

Appendix 3

Managing High Impact Agency Performance

The National Partnership for Reinventing Government identified 32 Federal agencies recognized by the Vice President as "High Impact Agencies" (HIA). These agencies provide significant services to the American public. The Vice President met the leaders of each HIA and, after extensive consultations, each HIA established performance goals that are to be achieved in FY 2000.

Four of these 32 agencies are part of the Department of Commerce. They are as follows:

- Patent and Trademark Office (PTO)
- Bureau of the Census
- U.S. Foreign and Commercial Service (USFCS)
- National Weather Service (NWS)

These bureaus contain four of the historically important core functions of the Commerce Department, including patents and trademarks, statistics, trade, and weather. Each is critically important to the American public, our Nation's commerce, and the Commerce Department's three strategic themes.

The Secretary is committed to working with each of these four Commerce bureaus to achieve the FY 2000 performance goals to realize the results from these high-performing HIAs. The Department of Commerce will focus on the four Commerce bureaus that have been designated as HIA's in order to:

- Ensure that the HIA performance goals for FY 2000 are consistent with the performance targets specified in the Commerce Annual Performance Plan

- Ensure that the Secretary of Commerce, the Vice President, and the heads of the HIA's are all in agreement with the FY 2000 performance targets specified in the HIA goals and the Annual Performance Plan

- Develop an effective means for performance reporting of the HIA progress toward the FY 2000 performance goals and targets – and achieving the results that Americans care about

- Implement the NPR Agenda which is aimed at solidifying the commitments of the HIA leaders and their Departments to the HIA goals as part of an effective performance reporting process and better integration of the HIA and GPRA goals.

Appendix 4

Alphabetical List of Acronyms

ACDA	Arms Control and Disarmament Agency
ACS	American Community Survey
AD	anti-dumping
ANCS II	Automated Nautical Chart System II
ARC	Appalachian Regional Commission
ASOS	Automated Surface Observing System
ATP	Advanced Technology Program
AWIPS	Advanced Weather Interactive Processing System
BEA	Bureau of Economic Analysis
BEMs	big emerging markets
BLS	Bureau of Labor Statistics
BXA	Bureau of Export Administration
CAMS	Commerce Administrative Management System
CAPs	Corrective Action Plans
CBAD	Current Business Analysis Division
CEMSCS	Central Environmental Satellite Computer System
CENR	Committee on Environment & Natural Resources
CFO/ASA	Chief Financial Officer/Assistant Secretary of Administration
CIAO	Critical Infrastructure Assurance Office
CIP	Critical Infrastructure Program
CM	continuous measurement
CMS	Client Management System
CPI	consumer price index
CVD	counter-veiling duties
CWC	Chemical Weapons Convention
DAS	Days at Sea
DOD	Department of Defense
DOE	Department of Energy
DOL	Department of Labor
EAA	Export Administration Act
EACs	Export Assistance Centers
EAR	Export Administration Regulations
EAS	Electronic Application System
ECASS	Export Control Automated Support System
EDA	Economic Development Administration
EE	export enforcement
EMT	Executive Management Team
EPA	Environmental Protection Agency
EPSCoT	Experimental Program to Stimulate Competitive Technology
ERL	Environmental Research Laboratories
ESA	Economics and Statistics Administration
EZ/EC	Empowerment Zone-Enterprise Community
FEMA	Federal Emergency Management Agency
FFS	Federal Financial Systems
FSL	Forecast Systems Laboratory
FTZ	foreign trade zone
GAO	General Accounting Office
GDI	gross domestic income
GDIN	Global Disaster Information Network
GDP	gross domestic product

Appendix 4

Alphabetical List of Acronyms (cont.)

GFDL	Geophysical Fluid Dynamics Laboratory
GMF	Government Master File
GMRA	Government Management & Reform Act
GOES	Geostationary Operational Environmental Satellites
GPRA	Government Performance & Results Act
GPS	global positioning system
HCHB	Herbert C. Hoover Building
HHS	Health & Human Services
HIA	high impact agency
HPC	Hydrometeorological Prediction Center
I & C	information & communications
IA	Import Administration
ICM	Integrated Coverage Measurement
IMF	International Monetary Fund
IRAC	Interdepartmental Radio Advisory File
IT	information technology
ITA	International Trade Administration
ITU	International Telecommunication Union
ITU	International Trade Union
LATs	Latin American Telecommunications Seminar
MAC	Market Access & Compliance
MBDA	Minority Business Development Agency
MBEs	Minority-Owned Business Enterprises
MBNQP	Malcolm Baldrige National Quality Program
MEP	Manufacturing Extension Partnership
MOU	memorandum of understanding
MSL	Measurement & Standards Laboratories
NAICS	North American Industrial Classification System
NAPA	National Academy of Public Administration
NBS	National Bureau of Standards
NCEP	National Centers for Environmental Protection
NDAA	National Defense Authorization Act
NDR	Natural Disaster Reduction
NEC	Nonproliferation Export Control
NESDIS	National Environmental Satellite, Data, and Information Service
NEXRAD	Next Generation Weather Radar
NGI	Next Generation Internet
NHC	National Hurricane Center
NIOSH	National Institute of Occupational Safety and Health
NIST	National Institute of Standards and Technology
NMFS	National Marine Fisheries Service
NMIs	National Metrology Institutes
NOAA	National Oceanic and Atmospheric Administration
NOS	National Ocean Service
NRC	Nuclear Regulatory Commission
NSTC	National Science & Technology Council
NTEs	new-to-export firms
NTMs	new-to-market firms
NTIA	National Telecommunications and Information Agency
NTTC	National Technology Transfer Center

Appendix 4

Alphabetical List of Acronyms (cont.)

NURP	National Undersea Research Program
NWS	National Weather Service
OAR	Office of Oceanic & Atmospheric Research
OCRM	Office of Ocean & Coastal Resource Management
OEA	Office of Economic Adjustment
OECD	Organization for Economic Cooperation & Development
OEE	Office of Export Enforcement
OGP	Office of Global Programs
OIG	Office of Inspector General
OLIA	Office of Legislative and International Affairs
OPM	Office of Personnel Management
ORF	Operations, Research and Facilities
OSTP	Office of Science & Technology Policy
OTEM	Office of Trade Event Management
OTP	Office of Technology Policy
PAC	Procurement, Acquisition, and Construction
PALM	Patent Application Locator & Monitoring
PBO	performance-based organization
PCT	Patent Cooperation Treaty
PNGV	Partnership for a New Generation of Vehicle
POES	Polar-orbiting Operational Environmental Satellite
PORTS	Physical Oceanographic Real Time Telemetry Systems
PSN	Promote Safe Navigation
PTDL	Patent and Trademark Depository Library
PTO	Patent and Trademark Office
QPF	Quantitative Precipitation Forecast
RLF	Revolving Loan Fund
RWA	returned without action
SBA	Small Business Administration
SHC	Sustain Healthy Coasts
SMEs	small and medium sized enterprises
SMOBE	Survey of Minority-Owned Business Enterprises
SRD	Standards Reference Database
SRMs	Standard reference materials
TA	Technology Administration
TAACS	Trade Adjustment Assistance Centers
TCC	Trade Compliance Center
TD	Trade Development
TDA	Trade & Development Agency
TIC	Trade Information Center
TICRS	Trademark Image Capture & Retrieval System
TIIAP	Telecommunications Information Infrastructure Assistance Program
TIS	Trademark Information System
TPCC	Trade Promotion Coordinating Committee
TRAM	Trademark Application Monitoring
TRIPs	Trade-Related Aspects of Intellectual Properties
UNEP	United Nations Environment Programme
URAA	Uruguay Round Agreements Act
US FCS	U.S. Foreign & Commercial Service
USACE	U.S. Army Corps of Engineers

Appendix 4

Alphabetical List of Acronyms (cont.)

USAF	U.S. Air Force
USAID	U.S. Agency for International Development
USDA	U.S. Department of Agriculture
USEAC	U.S. Export Assistance Centers
USG	U.S. Government
USIP	U.S. Innovation Partnership
USTR	U.S. Trade Representative
WFO	Weather Forecast Office
WIPO	World Intellectual Property Organization
WMO	World Meteorological Organization
WTO	World Trade Organization

Appendix 5

Economic Development Administration

Note 1: Public Works Program Performance Evaluation and the Defense Adjustment Program Performance Evaluation

These studies were conducted by a consortium composed of Rutgers University, New Jersey Institute of Technology, Columbia University, Princeton University, the National Association of Regional Councils, and the University of Cincinnati and completed in May and November of 1997, respectively. These studies covered public works projects completed in FY 1990 and defense adjustment projects (infrastructure, revolving loan fund, and capacity building grants) approved between FY 1992 and FY 1995.

This research documents the long-term nature of EDA investments and indicates that project outcomes typically are not realized fully until six to ten years following project completion for public works and infrastructure projects. Such projects may require three years to complete construction and, once completed, continue to create jobs, attract investment, increase tax base, and diversify local economies as businesses locate and expand in EDA funded research parks, incubators, and areas served by technology infrastructure and training facilities. Outcomes for FY 2000 public works grants are projected for FY 2003 (near-term), FY 2006 (mid-term) and FY 2009 (long-term).

For revolving loan funds, jobs are generated shortly after project approval, but projects continue to generate jobs and investment as new loans are made from principal repayments in subsequent years. EDA tracks the cumulative results for revolving loan funds projects, including increases in the capital base. Outcomes for FY 2000 revolving loan fund grants are projected for FY 2003 (near-term), FY 2006 (mid-term) and FY 2009 (long-term).

Note 2: Public Works Program Performance Evaluation

This study, by Rutgers et al, 1997, showed a $3058 cost per job for EDA construction projects when measured six years following project completion (or an average of nine years following grant approval). The *Defense Adjustment Program Performance Evaluation* (Rutgers et al., 1997) covered projects approved between FY 1992 and FY 1995. This study showed cost per job of $8,052 for construction projects and a cost per job for revolving loan funds ranging from $3,312 - $4,079.

The Rutgers findings are adjusted for inflation and discounted by 30 percent to account for variations in the mix of projects that can effect outcomes. EDA does not predetermine the types of projects funded each year, but responds to local and state priorities based on locally developed strategies. This limits our ability to anticipate the exact mix of project types that will be funded in any given year. The Rutgers studies found that performance varies by type of project.

Note 3: EDA Performance Measures

EDA performance measures focus on long-term outcomes, and our performance goals are developed through systematic program evaluations (e.g., Rutgers et al.) that document the long-term results of EDA investments in distressed areas. For example, FY 2000 grants for public works and revolving loan fund projects are expected to create or retain 66,753 jobs by FY 2009.

EDA is developing a reporting system to track long-term outcomes (e.g., job creation and retention, private sector investment) reported by grantees over a period of years following grant award and project completion. FY 2000 grantees will report on program outcomes in 2003, 2006 and 2009. Similarly, outcomes for FY 1999 grant awards will be reported in 2002, 2005, and 2007. EDA introduced reporting requirements in FY 1997, but most of these grantees will not start reporting until the year 2000. In the interim, EDA is conducting pilot reviews of earlier projects (e.g., FY 1993 grant awards) to validate targets and train EDA staff and grantees on valid methods for reporting and verifying outcome data.

To supplement the long-term measures, EDA has developed a set of interim and process measures that can be used by managers on regular basis to set targets and track performance in critical areas that affect program outcomes (e.g., targeting investments to areas of highest distress and improving the quality and timeliness of EDA assistance). The interim measures will ensure annual reporting to gauge progress toward long-term goals.

Appendix 5

Economic Development Administration (cont.)

Note 4: Pilot Review of FY 1993 Construction and Revolving Loan Fund Grants

EDA will conduct periodic reviews and site visits to verify data and validate grantee reporting methods. During FY 1999, EDA will work with Rutgers to conduct a pilot review of 58 construction projects completed in FY 1993 and 44 revolving loan fund projects approved in FY 1993 (six years ago). EDA will use the pilot to provide extensive outreach and training for EDA grantees on valid reporting methods and to train EDA staff on methods for verifying data reported by grantees. The pilot will establish a national performance team involving EDA grantees and national organizations to oversee the pilot and provide consultation and feedback on EDA performance measures and reporting requirements.

Note 5: Refinement of Performance Measures

Data is not currently available to establish targets for some of the measures or indicators presented in the Commerce Annual Performance Plan. EDA expects to refine performance measures and establish targets during FY 1999 based on program evaluations currently underway for planning, University Center, and trade adjustment assistance center grantees.

In addition, EDA will use the pilot review of 58 construction projects completed in FY 1993 and 44 revolving loan funds approved in FY 1993 to validate program outcomes and targets for near, mid and long-term jobs and private investment. Other measures and targets may be adjusted following the pilot review.

Note 6: Verification and Validation of Grantee Reports

EDA performance measures cover outcomes reported by grantees and verified by EDA through performance reviews and periodic site visits. Grantees report actual jobs and investment created or retained as a result of the project at the time of the report. This is the most straightforward and cost-effective method for measuring outcomes but does not account for all factors which can influence job creation and investment. EDA will rely on periodic program evaluations, as resources permit, to provide more complete information on program performance.

Note 7: EDA Program Evaluations Underway

EDA is conducting systematic evaluations of all program activities to develop, test and refine performance measures and benchmarks. Program evaluations underway for EDA's planning, university center, and trade adjustment assistance programs will lead to improvements in the way EDA measures performance for capacity building programs. Evaluations and studies on disaster response, technology and trade issues support our efforts to develop effective measures for these priorities and initiatives. Following is a listing of EDA sponsored evaluations and studies showing actual or planned year of completion.

Studies completed:

- Public Works Program Performance Evaluation (Rutgers University et al.) - 1997
- Defense Adjustment Program Performance Evaluation (Rutgers University et al.) - 1997
- Science and Technology Strategic Planning (SSTI/ Battelle Institute) - 1997
- Impact of Incubator Investments (University of Michigan, et al) - 1997
- Cluster-based Economic Development (Information Design Associates) - 1997
- Public Works Program: Multiplier & Employment-Generating Effects (Rutgers et al.) - 1998
- Evaluation of EDA's Response to the Midwest Flood of 1993(Aguirre International) - 1998
- Performance Measures for EDA Planning Programs (Applied Development Economics**) -**1999
- Trade Adjustment Assistance Program (Urban Institute) - 1998
- Microenterprise Development (Rutgers University) - 1999
- University Center Peer Review (NAMTAC) - 1998

Studies underway:

- Overall Economic Development Program Evaluation (Corp. for Enterprise Dev. et al.) - 1999

Appendix 5

Economic Development Administration (cont.)

State Incentive Programs (National Assoc. of State Development Agencies) - 1999
Impact of Revolving Loan Funds- 1999
Technology Transfer and Commercialization -1999
Cutting-edge Economic Development Projects and Practices-1999
Brownfields/Air Quality-2000
American Indian Economic Development-1999
American Indian Technology Infrastructure Needs Assessment-1999

EDA is making significant investments in program evaluation and research to improve programs and provide useful information to local economic development practitioners. EDA's goal is to evaluate programs on a regular basis (e.g., every five years) to verify and supplement performance data reported by grantees and to improve program management.

Note 8: Overview of Organizational Structure and Management Challenges

EDA assists economically distressed communities throughout the United States, including Puerto Rico, U. S. Virgin Islands, Guam, American Samoa, Commonwealth of Northern Mariana Islands, Federated States of Micronesia, Palau, and the Republic of Marshall Islands. EDA operates with a headquarters staff located in Washington, DC, six Regional Offices (Philadelphia, Chicago, Atlanta, Austin, Denver, and Seattle) and 28 Economic Development Representatives who provide outreach and assistance at the State and local level. Through a nationwide network of planning organizations and technical assistance providers, EDA works with distressed communities to identify needs, develop strategies and fund projects, consistent with State and local priorities.

In recent years EDA has restructured its grants process and management operations to better respond to local needs. EDA reduced staffing by 30 percent, cut regulations by 62 percent and continues to streamline project processing by delegating increased authority to Regional Offices. EDA recently recruited a Chief Financial Officer. Management challenges for the years leading up to and including FY 2000 include:

- preparing to implement the reauthorization of EDA programs, institutionalizing reinvention, and providing a stable platform for Administration priorities
- improving technology and training for agency operations to support EDA's mission and Commerce priorities and initiatives (including increased collaboration with other agencies)
- completing a major upgrade to EDA's data system for approved and pending projects, and integrating a new data base on performance measures as part of the larger system upgrade
- implementing a process for ongoing consultations with Congress, OMB, GAO, DOC, national economic development organizations, EDA grantees, program managers and staff
- improving compliance with GPRA, including training for EDA staff and grantees on data collection and reporting requirements. EDA will work to refine outcome measures and to develop interim measures for major program activities and cross-cutting activities

Note 9: Resource Requirements

FY 2000 Total Bureau Dollars: $393,000,000
Program Resources: $364,000,000

- $347 Million for Community and Regional Enhancement
- $12 Million for Community Economic Adjustment to help firms adjust to changes in trade patterns
- $3 Million for Disaster Mitigation and Recovery Assistance
- $2 Million for National Program Analysis and Information Consolidation

FY 2000 FTE: 272, Skill Summary

- Economic development policy, planning, and program specialists.
- Project and grants management, engineering and environmental specialists.
- Legal, accounting and information systems support specialists.
- Knowledge/expertise in key technology sectors (e.g., information technology).
- Disaster relief training (coordinated with FEMA).

Appendix 5

Economic Development Administration (cont.)

FY 2000 Bureau Requirements: Information Technology

Modernize mission critical information systems

- complete upgrade of EDA data base on ap proved and pending projects
- move to non-mainframe, client server system
- improve user access to mission critical data

Reduce technological obsolescence

- replace 1/4 of user desk tops every year
- replace 1/3 of LAN file servers every year
- increase portability to support agency travel, training and field work.

Improve information dissemination

- improve WEBSITE to provide ready access to mission critical information
- increase links with other economic development organizations
- increase capacity to share information on current trends and research

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
AID	BXA • Funding to countries of concern for purchase of controlled U.S. items ITA • TPCC PTO • International training and technical assistance for developing countries	TA • Standards-related training workshops NOAA • Famine warning: Satellite data, rainfall analysis • Seasonal to Interannual climate forecasts	PTO • Improve systems for effectively granting and protecting intellectual property rights NOAA • International Coral Reef Initiative
ACDA	BXA • Export license application review, consultation, and dispute resolution/EAA • Multilateral Regime Participation/EAA Implementation of CWC Negotiation of BWC Protocol		
Agriculture	BXA • Short Supply Controls/EAA • National Defense Stockpile Market Impact Committee EDA • Rural Development Program	TA • Grain inspection and measurements NOAA • Columbia River Basin study study (flood forecasting) • CENR (global change, hazards, water)	EDA • Office of Rural Development/ Supplemental public works grants • Agriculture Conservation and Stabilization Service/ Flood- related technical assistance

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Agriculture (cont.)	• Timber Economic Adjustment Initiative ITA • TPCC MBDA • Minority Business Opportunity Committee NIST • MEP collaboration on forestry and food processing industries, and related agricultural extension issues NOAA • CENT (hazards) • Joint Agricultural Weather Facility (World and U.S. Agricultural Outlooks) • Satellite data (agricultural forecasts) PTO • Formulate proposals for intellectual property protection both at home and abroad (plant varieties)	• Global Climate Data and Information System • Seasonal to Interannual climate forecasts	NTIA • Spectrum Mgmt. (IRAC) NOAA • Sea Grant (fisheries and aquaculture research) • Marine aquaculture research and promotion • National Ocean Partnership Program • CENR (environmental monitoring) • Coastal Zone Management (land-use planning, non-point source pollution) • Gulf of Mexico Hypoxia Task Force • Habitat restoration and protection • South Florida Ecosystem Restoration • Interagency Taxonomic Information System PTO • Intellectual property policy proposals

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Defense	BXA • Export license application review, consultation, and dispute resolution/EAA • Multilateral Regime Participation/EAA • Export Control Policy Development/EAA • Export Control Cooperation with foreign governments • Intelligence Liaison • Critical Infrastructure Protection Initiative • Encryption expost license application review, consultation and dispute resolution • Encryption Policy Development • Defense Industrial Base Assessments • Excess Defense Articles review • Implementation of CWC • Negotiations of BWC Protocol • Defense Diversification • Offsets in Defense Trade/TPCC • Review of Defense Memoranda for Understanding • National Defense Stockpile Market Impact Committee	TA • Measurement and standards activities for all branches of the military • ATP Source Evaluation Board NOAA • Columbia River Basin study (flood forecasting) • California project (flood forecasting) • CENR (global change) • Global Climate Data and Information System • HPCC NTIA • Telecom Research	EDA • Military Base Closures/Defense Defense contract reductions/ Downsizing • Levee Restoration Program NOAA • National Undersea Research Program • Protected species management • Coastal habitat restoration and conservation program • National Ocean Partnership Program • South Florida Ecosystem Restoration • Living marine resources habitat protection • Radio frequency management (with NTIA)

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Defense (cont.)	EDA • Military Base Closures/ Defense contract reductions/ Downsizing Research and national technical assistance ITA • TPCC NOAA • Polar satellite convergence • Defense Department satellite data • NEXRAD (weather radar) • ASOS (weather observations) • U.S. Weather Research Program • Marine Observing Network • Civilian applications of Global Positioning Systems • Hydrological Monitoring • Advanced Hydrologic Prediction System (flood forecasting) TA • ENGV (non- budget)		
Education	NTIA • Universal Service, Internet use in schools, libraries	NOAA • GLOBE • HPCC	NTIA • Spectrum Mgmt. (IRAC)

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Energy	BXA • Export Control Cooperation with foreign governments • Enforcement cooperation and support • Export license application review, consultation, and dispute resolution/EAA • Multilateral Regime Participation/EAA • Export Control Policy Development/EAA • Implementation of CWC • Negotiations of BWC Protocol • Defense Diversification • International Cooperative License / EAA EDA • Energy Realignment - Federal Lab closures and downsizing ITA • TPCC NOAA • CENR (hazards) TA • PNGV (budget)	EDA • Convert Energy labs to support civilian technology enterprise TA • Measurement and standards activities • ATP Source Evaluation Board\ NOAA • Greenhouse gas emissions studies and assessments • CENR (global change, hazards) • Data storage • Global Climate Data and Information System • HPCC • Seasonal to Interannual climate forecasts	NOAA • Living marine resources habitat conservation program • Anadromous fisheries programs • CENR (environmental monitoring) • Radio frequency management (with NTIA) NTIA • Spectrum Mgmt. (IRAC) PTO • Handling patent applications having national security implications

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
EPA	EDA • Brownfields Initiative ITA • TPCC TA • Collaborated with MEP on environmentally consciouso manufacturing • PNGV NOAA • Global ecosystem datasets	TA • Measurement and standards activities NOAA • CENR (global change) • National Acid Prediction Assessment Program • Atmospheric Integrated Research Monitoring Network • Assessment of CFC substitutes for ozone depletion potential • Global Climate Data and Information System • GLOBE • HPCC • North American Research Strategy for Troposphere ozone	EDA • Brownfields Initiative • Levee Restoration Program • Sustainable Development • Diversify resource-based economies NOAA • Living marine resources habitat conservation program • Protected species management • National Ocean Partnership Program • CENR (environmental monitoring) • Non-point source pollution control • Response to and remediation of hazardous materials spills • Coastal monitoring (water quality, contaminants, harmful algal blooms) NTIA • Spectrum Mgmt. (IRAC)
FCC	NTIA • Telecommunications Policy, Universal Service, Public Safety Communications, international conferences		NOAA • Radio frequency management (with NTIA) NTIA • Spectrum Mgmt. (IRAC), COMSAT Oversight

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
FEMA	BXA • National Security Emergency Preparedness/Defense Priorities and Allocation Systems • NATO Civil Emergency Planning Coordinating Committee • National Defense Stockpile Market Impact Committee • Critical Infrastructure Protection Initiative EDA • Post Disaster Economic Recovery Program NOAA • CENR (hazards) Shoreline mapping, hazard mitigation planning • Emergency management training and outreach • External weather warning coordination	TA • Agreements for measurement and standards research and services NOAA • CENR (hazards) • Seasonal to Interannual climate forecasting extreme events)	EDA • Post Disaster Economic Recovery Program and mitigation planning NOAA • Coastal Zone Management (land-use planning and risk evaluation) • Radio frequency management
FDA			• Patent term extension for drug related patents that have received regulatory review.
GPO		PTO • GPO replicates CD- ROM products, makes them available to the federal depository libraries who choose to receive them	

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
GSA		TA • Agreements for measurement and standards research and services	NTIA • Spectrum Mgmt. (IRAC), COMSAT Oversight
HHS	BXA • National Defense Stockpile Market Impact Committee NOAA • CENR (hazards) local planning- coordinated delivery of NTIA • Telemedicine Policy Development	TA • Agreements for measurement and standards research and services • ATP Source Evaluation Board (w/NIH) NOAA • CENR (global change, hazards) • HPCC	NOAA • CENR (harmful algal blooms, endocrine disruptors) NTIA • Spectrum Mgmt.(IRAC) PTO • Handling both AIDs-related inventions/information and recombinant DNA information
HUD	EDA • Post Disaster Economic Recovery Program • Community Development Block Grants program NOAA • CENR (hazards)	TA • Agreements for measurement research in identifying building lead content and abatement techniques NOAA • CENR (hazards)	NTIA • Spectrum Mgmt.(IRAC)

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Interior	ITA • TPCC BXA • Short Supply Controls/EAA • National Stockpile Market Impact Committee NOAA • FGDC (data standards) • Spatial reference system and geodetic control • Satellite data • CENR (hazards) • Hydrological (flood) monitoring and forecasting • Seasonal To Interannual climate forecasts • Volcanic ash monitoring • Advanced Hydrological Prediction System • Fire weather • Stream gauging	TA • Agreements for measurement and standards research NOAA • Tsunami Network (coastal hazard warning system) • Columbia River basin study (flood forecasting) • Watershed and River System Management program, Yakima Basin • FGDC (data standards) • CENR (global change, hazards, water) • Satellite data (archive) • Global Climate Data and Information System	NOAA • Protected species management (marine mammal programs & endangered species conservation and management) • Living Marine resources habitat conservation program • Aquaculture development • South Florida Ecosystem Restoration • CENR (environmental monitoring) • U.S. Coral Reef Initiative • Radio frequency management (with NTIA) • Interagency Taxonomic Information System NTIA • Spectrum Mgmt. (IRAC)
Justice	BXA • Encryption Export License application review, consulations, and dispute resolution • Encryption Policy Development • Defense Priorities and Allocations • Law enforcement cooperation (FBI,INS)	TA • Agreements for measurement and standards research and services	NOAA • Marine fisheries enforcement program NTIA • Spectrum Mgmt. (IRAC) PTO • Formulate intellectual property policy proposals.

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Justice	BXA • Intelligence liason • Critical Infrastructure Protection Initiative NTIA • Telecommunications Policy Issues		
Labor	EDA • Economic development based on local planning ESA • Price and Output Working Group Economic Classification and Policy Committtee • Working Group on Compensation Measurement • NAICS Implementation • Interagency Confidentiality and Data Access Group ITA • TPCC NIST • Labor Participation in Workplace ModernizationPilot Project		NTIA • Spectrum Mgmt. (IRAC)
Library of Congress	PTO • Formulate Proposals for Intellectual PropertyProtection in the U.S. and Abroad		

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
NASA	BXA • Export control policy development/EAA • International Cooperative Licenses NOAA • Polar satellite convergence • FGDC (data standards) • CENR (hazards) • GPSmet satellite • Space launch forecasts • U.S. Weather Research Program NTIA • PEACESAT TA • PNGV (non budget)	TA • Agreements for measurement and standards research and services NOAA • EOSDIS (interoperability, archive) • Pathfinder (data reprocessing) • Satellite data • CENR (global change, hazards) • EOS Missions and instruments (SeaWiFS, TRMM, NSCAT) • Global Change Data and Information System • Seasonal to Interannual climate forecasts • GLOBE • HPCC	NOAA • National Ocean Partnership Program • Radio frequency management (with NTIA) NTIA • Spectrum Mgmt. (IRAC) PTO • Handling patent applications having national security implications
NSF	NOAA • CENR (hazards • GPSmet satellite • U.S. Weather Research Program NTIA • Internet issues PTO • Domain Name Dispute Resolution - for developing	TA • Agreements for measurement and standards research and services NOAA • CENR (global change, hazards) • University Corporation for Atmospheric Research • GLOBE • Global Climate Data and	NOAA • National Undersea Research Program • Fisheries stock assessment programs, fisheries science program • National Ocean Partnership Program • Harmful algal blooms • CENR (environmental monitoring) • Radio frequency management

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
NSF (cont.)	acceptable legal and procedural regimes for settlement of trademark domain name disputes TA • PGNV (budget)	Information System • HPCC PTO • Report to the President on Science and Engineering Indicators. Reports on patenting trends in the U.S. by Standard Industrial code, foreign country and technological activities, and university patenting activity.	(with NTIA) • Sea Grant
OMB	BXA • National Defense Stockpile Market Impact Committee • Critical Infrastructure Protection Initiative ESA • Economic Classification and Policy Committee • Federal Committee on Statistical Methodology • Interagency Council on Statistical Policy		
SBA	BXA • Export Control Seminars • Defense Diversification		

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
EDA	• Post Disaster Economic Recovery ITA • TPCC MBDA • Minority Enterprise Week NOAA • Small Business Initiative Research Program		
State	BXA • Export license application review, consultation, and dispute resolution/EAA • Commodity Jurisdiction Review and transfers • Multilateral Regime Participation/EAA • Implementation of CWC • Negotiations of BWC Protocol • National Defense Stockpile / Strategic and Critical Materials Stockpiling Act of 1979 • National Defense Stockpile / Market Impact Committee • NATO Industrial Planning Committee • Defense Diversification • Discussion of Boycott requests and other boycott issues at monthly interagency meetings	TA • Coordination in the area of measurements and standards for international trade NOAA • CENR (global change) • International science and technology agreements • GLOBE • Global Climate Data and Information system marine pollution • Radio frequency management (with NTIA) PTO • Formulate Intellectual Property policy proposals	NTIA • Spectrum Mgmt. (IRAC) NOAA • Protected species management (marine mammal programs & endangered species conservation and management) • International fishery management programs • US Coral Reef Initiative • Land-based sources of

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
State (cont.)	• Export Control Policy Development/EAA • Sanction Policy/EAA • Export Control Cooperation with foreign governments • Intelligence Liaison ITA • TPCC NTIA • International forums on tele-communications policy (ITU, WTO, OECD, ASEAN, etc.) NOAA • Satellite and data policy PTO • Protection of intellectual property both at home and abroad • Improve international standards for the protection of intellectual property		
Transportation	BXA • Coordination on license shipments EDA • Economic Development District-Review of overall Economic Development Program	TA • Agreements for measurement and standards research and services NOAA • CENR (hazards) NTIA	EDA • Supplemental Grants fro FHA NOAA • Living marine resources habitat conservation program • Response to hazardous materials spills • National Marine Sanctuaries (vessel traffic, enforcement)

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Transportation (cont.)	ESA • Transportation Satellite Accounts Team • Highway Statistics Steering Committee ITA • TPCC NOAA • Nautical and aeronautical charting • CENR (hazards) • FGDC (data standards) • ASOS (environmental monitoring for meteorology and airplane flight safety) • FSL (forecast workstation development) • Volcanic ash monitoring • NEXRAD (weather radar) • GPSmet satellite TA • PNGV (budget)	NTIA • Telecommunications Research (smart vehicles, next gen radar for FAA, etc.)	• National Invasive Species Act • Radio frequency management (with NTIA) NTIA • Spectrum Mgmt. (IRAC)

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies(cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
Treasury	BXA • Committee on Foreign Investment in the United States • National Defense Stockpile / Market Impact Committee • Sanction Policy/EAA • Export Compliance Seminars • Discussion of Boycott requests and other boycott issues at monthly interagency meetings • Customs: domestic and foreign cooperative investigations • Foreign Asset Controls • Information exchanges ESA • Improving surveys of international investment • Improving source data on property incomes • NAICS implementation ITA • TPCC • Customs: Enforce U.S. trade laws	TA • Agreements for measurement and standards research and services in security and electronic data transfers PTO • Provide CD-ROMS of trademark information to Customs	NTIA • Spectrum Mgmt. (IRAC) PTO • US Customs Service regarding counterfeit goods or services

Appendix 6

Crosscutting Activities (By Bureau) Between the Department of Commerce and Other Federal Agencies (cont.)

Department	Theme 1: Economic Infrastructure	Theme 2: Science/Technology/ Information	Theme 3: Resource and Asset Management and Stewardship
United States Trade Representative (USTR)	ITA • TPCC PTO • Protection of intellectual property both at home and abroad • Participate in efforts to improve international standards for the protection of intellectual property	TA • Coordination in the area of measurements and standards for international trade	PTO • Formulate intellectual property policy proposals • PTO advises USTR on foreign unfair trade practices for intellectual property (Section 301)
VA		NOAA • HPCC TA • Agreements for research in hearing aid metrology and performance improvements	